

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

HOUSE BILL 15

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SPECIAL SESSION, 2003

INTRODUCED BY

Ben Lujan

AN ACT

**RELATING TO PUBLIC FINANCES; PROVIDING TAX RELIEF FOR FAMILIES
AND FOR ECONOMIC DEVELOPMENT; FUNDING TAX RELIEF MEASURES;
IMPOSING FEES; AUTHORIZING THE ISSUANCE OF BONDS; APPROVING
CERTAIN PROJECTS; CHANGING DISTRIBUTIONS; MAKING
APPROPRIATIONS; AMENDING, REPEALING AND ENACTING SECTIONS OF
THE NMSA 1978; DECLARING AN EMERGENCY.**

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

**Section 1. Section 7-1-6.10 NMSA 1978 (being Laws 1983,
Chapter 211, Section 15, as amended) is amended to read:**

"7-1-6.10. DISTRIBUTIONS--STATE ROAD FUND.--

**A. A distribution pursuant to Section 7-1-6.1 NMSA
1978 shall be made to the state road fund in an amount equal to
the net receipts attributable to the taxes, surcharges,
penalties and interest imposed pursuant to the Gasoline Tax Act**

. 148645. 1

underscored material = new
[bracketed material] = delete

underscored material = new
[bracketed material] = delete

1 and to the taxes, surtaxes, fees, penalties and interest
2 imposed pursuant to the Special Fuels Supplier Tax Act and the
3 Alternative Fuel Tax Act less:

4 (1) the amount distributed to the state
5 aviation fund pursuant to Subsection B of Section 7-1-6.7 NMSA
6 1978;

7 (2) the amount distributed to the motorboat
8 fuel tax fund pursuant to Section 7-1-6.8 NMSA 1978;

9 (3) the amount distributed to municipalities
10 and counties pursuant to Subsection A of Section 7-1-6.9 NMSA
11 1978;

12 (4) the amount distributed to the county
13 government road fund pursuant to Section 7-1-6.19 NMSA 1978;

14 (5) the amount distributed to the local
15 governments road fund pursuant to Section 7-1-6.39 NMSA 1978;

16 (6) the amount distributed to the
17 municipalities pursuant to Section 7-1-6.27 NMSA 1978;

18 (7) the amount distributed to the municipal
19 arterial program of the local governments road fund pursuant to
20 Section 7-1-6.28 NMSA 1978; and

21 (8) the amount distributed to a qualified
22 tribe pursuant to a gasoline tax sharing agreement entered into
23 between the secretary of [highway and] transportation and the
24 qualified tribe pursuant to the provisions of Section
25 67-3-8.1 NMSA 1978.

. 148645. 1

underscored material = new
[bracketed material] = delete

1 B. A distribution pursuant to Section 7-1-6.1 NMSA
2 1978 shall be made to the state road fund in an amount equal to
3 the net receipts attributable to the taxes, [fees] interest and
4 penalties from the Weight Distance Tax Act. "

5 Section 2. Section 7-1-6.12 NMSA 1978 (being Laws 1983,
6 Chapter 211, Section 17, as amended) is amended to read:

7 "7-1-6.12. ~~TRANSFER--REVENUES FROM MUNICIPAL LOCAL OPTION~~
8 ~~GROSS RECEIPTS TAXES--REVENUES FROM LOCAL OPTION COMPENSATING~~
9 ~~TAXES.~~ --

10 A. A transfer pursuant to Section 7-1-6.1 NMSA 1978
11 shall be made to each municipality for which the department is
12 collecting a local option gross receipts tax imposed by that
13 municipality in an amount, subject to any increase or decrease
14 made pursuant to Section 7-1-6.15 NMSA 1978, equal to the net
15 receipts attributable to the local option gross receipts tax
16 imposed by that municipality, less any deduction for
17 administrative cost determined and made by the department
18 pursuant to the provisions of the act authorizing imposition by
19 that municipality of the local option gross receipts tax and
20 any additional administrative fee withheld pursuant to
21 Subsection C of Section [~~1 of this 1997 act~~] 7-1-6.41 NMSA
22 1978.

23 B. A transfer pursuant to Section 7-1-6.1 NMSA 1978
24 shall be made to each municipality for which the department is
25 collecting a local option compensating tax imposed by that

underscored material = new
[bracketed material] = delete

1 municipality in an amount, subject to any increase or decrease
2 pursuant to Section 7-1-6.15 NMSA 1978, equal to the net
3 receipts attributable to the local option compensating tax
4 imposed by that municipality."

5 Section 3. Section 7-1-6.13 NMSA 1978 (being Laws 1983,
6 Chapter 211, Section 18, as amended) is amended to read:

7 "7-1-6.13. ~~TRANSFER--REVENUES FROM COUNTY LOCAL OPTION~~
8 ~~GROSS RECEIPTS TAXES--~~REVENUES FROM LOCAL OPTION COMPENSATING
9 TAXES. --

10 A. Except as provided in Subsection [B] C of this
11 section, a transfer pursuant to Section 7-1-6.1 NMSA 1978 shall
12 be made to each county for which the department is collecting a
13 local option gross receipts tax imposed by that county in an
14 amount, subject to any increase or decrease made pursuant to
15 Section 7-1-6.15 NMSA 1978, equal to the net receipts
16 attributable to the local option gross receipts tax imposed by
17 that county, less any deduction for administrative cost
18 determined and made by the department pursuant to the
19 provisions of the act authorizing imposition by that county of
20 the local option gross receipts tax and any additional
21 administrative fee withheld pursuant to Subsection C of Section
22 7-1-6.41 NMSA 1978.

23 B. A transfer pursuant to Section 7-1-6.1 NMSA 1978
24 shall be made to each county for which the department is
25 collecting a local option compensating tax imposed by that

. 148645. 1

underscored material = new
[bracketed material] = delete

1 county in an amount, subject to any increase or decrease made
2 pursuant to Section 7-1-6.15 NMSA 1978, equal to the net
3 receipts attributable to the local option compensating tax
4 imposed by that county.

5 [B-] C. In lieu of a distribution pursuant to
6 Subsection A of this section to a class B county with a
7 population, as shown in the last federal decennial census, of
8 more than twenty-five thousand and a net taxable value in the
9 2002 property tax year of less than two hundred million dollars
10 (\$200,000,000), the department shall make a distribution of the
11 following amounts to the largest municipality in that county
12 for the purpose of maintaining and operating a hospital:

13 (1) amounts attributable to the second
14 one-eighth percent increment of the local option gross receipts
15 tax; and

16 (2) amounts attributable to the special county
17 hospital gross receipts tax."

18 Section 4. Section 7-1-6.15 NMSA 1978 (being Laws 1983,
19 Chapter 211, Section 20, as amended) is amended to read:

20 "7-1-6.15. ADJUSTMENTS OF DISTRIBUTIONS OR TRANSFERS TO
21 MUNICIPALITIES OR COUNTIES. --

22 A. The provisions of this section apply to:

23 (1) any distribution to a municipality of
24 gross receipts taxes pursuant to Section 7-1-6.4 NMSA 1978 or
25 of interstate telecommunications gross receipts tax pursuant to

. 148645. 1

underscored material = new
[bracketed material] = del ete

1 Section 7-1-6.36 NMSA 1978;

2 (2) any transfer to a municipality with
3 respect to any local option gross receipts tax or local option
4 compensating tax imposed by that municipality;

5 (3) any transfer to a county with respect to
6 any local option gross receipts tax or local option
7 compensating tax imposed by that county;

8 (4) any distribution to a county pursuant to
9 Section 7-1-6.16 NMSA 1978;

10 (5) any distribution to a municipality or a
11 county of gasoline taxes pursuant to Section 7-1-6.9 NMSA 1978;

12 (6) any transfer to a county with respect to
13 any tax imposed in accordance with the Local Liquor Excise Tax
14 Act;

15 (7) any distribution to a municipality or a
16 county of cigarette taxes pursuant to Sections 7-1-6.11,
17 7-12-15 and 7-12-16 NMSA 1978;

18 (8) any distribution to a county from the
19 county government road fund pursuant to Section 7-1-6.26 NMSA
20 1978;

21 (9) any distribution to a municipality of
22 gasoline taxes pursuant to Section 7-1-6.27 NMSA 1978; and

23 (10) any distribution to a municipality,
24 county, school district or special district of oil and gas ad
25 valorem production tax reduced as a result of a refund

. 148645. 1

underscored material = new
[bracketed material] = delete

1 requested in December 1998 with respect to production of carbon
2 di oxide.

3 B. If the secretary determines that any prior
4 distribution or transfer to a political subdivision was
5 erroneous, the secretary shall increase or decrease the next
6 distribution or transfer amount for that political subdivision
7 after the determination, except as provided in Subsection C, D
8 or E of this section, by the amount necessary to correct the
9 error. Subject to the provisions of Subsection E of this
10 section, the secretary shall notify the political subdivision
11 of the amount of each increase or decrease.

12 C. No decrease shall be made to current or future
13 distributions or transfers to a political subdivision for any
14 excess distribution or transfer made to that political
15 subdivision more than one year prior to the calendar year in
16 which the determination of the secretary was made.

17 D. The secretary, in lieu of recovery from the next
18 distribution or transfer amount, may recover an excess
19 distribution or transfer of one hundred dollars (\$100) or more
20 to the political subdivision in installments from current and
21 future distributions or transfers to that political subdivision
22 pursuant to an agreement with the officials of the political
23 subdivision whenever the amount of the distribution or transfer
24 decrease for the political subdivision exceeds ten percent of
25 the average distribution or transfer amount for that political

. 148645. 1

underscored material = new
[bracketed material] = delete

1 subdivision for the twelve months preceding the month in which
2 the secretary's determination is made; provided that for the
3 purposes of this subsection, the "average distribution or
4 transfer amount" shall be the arithmetic mean of the
5 distribution or transfer amounts within the twelve months
6 immediately preceding the month in which the determination is
7 made.

8 E. Except for the provisions of this section, if
9 the amount by which a distribution or transfer would be
10 adjusted pursuant to Subsection B of this section is one
11 hundred dollars (\$100) or less, no adjustment or notice need be
12 made.

13 F. The secretary is authorized to decrease a
14 distribution to a municipality or county upon being directed
15 to do so by the secretary of finance and administration
16 pursuant to the State Aid Intercept Act or to redirect a
17 distribution to the New Mexico finance authority pursuant to
18 an ordinance or a resolution passed by the county or
19 municipality and a written agreement of the municipality or
20 county and the New Mexico finance authority. Upon direction
21 to decrease a distribution or notice to redirect a
22 distribution to a municipality or county, the secretary shall
23 decrease or redirect the next designated distribution, and
24 succeeding distributions as necessary, by the amount of the
25 state distributions intercept authorized by the secretary of

underscored material = new
[bracketed material] = delete

1 finance and administration pursuant to the State Aid
2 Intercept Act or by the amount of the state distribution
3 intercept authorized pursuant to an ordinance or a resolution
4 passed by the county or municipality and a written agreement
5 with the New Mexico finance authority. The secretary shall
6 transfer the state distributions intercept amount to the
7 municipal or county treasurer or other person designated by
8 the secretary of finance and administration or to the New
9 Mexico finance authority pursuant to written agreement to pay
10 the debt service to avoid default on qualified local revenue
11 bonds or meet other local revenue bond, loan or other debt
12 obligations of the municipality or county to the New Mexico
13 finance authority. "

14 Section 5. A new section of the Tax Administration Act
15 is enacted to read:

16 "[NEW MATERIAL] LOCATION OF USE. --

17 A. For compensating tax and local option
18 compensating tax purposes, use of property occurs in the
19 jurisdiction in which:

20 (1) the buyer's place of business is located
21 if the buyer is engaging in business in New Mexico and uses
22 the property in furtherance of that business;

23 (2) the buyer's principal office is located
24 if the buyer is the state or a local government or an agency
25 or instrumentality of the state or a local government; or

. 148645. 1

underscored material = new
[bracketed material] = delete

1 (3) the buyer's residence is located if the
2 buyer is not engaging in business in New Mexico or does not
3 use the property in furtherance of business.

4 B. The department shall promulgate regulations to
5 determine where use will be attributed when the buyer has
6 more than one business location or residence in New Mexico. "

7 Section 6. Section 7-1-6.39 NMSA 1978 (being Laws 1995,
8 Chapter 6, Section 9) is amended to read:

9 "7-1-6.39. DISTRIBUTION OF SPECIAL FUEL EXCISE TAX TO
10 LOCAL GOVERNMENTS ROAD FUND. --A distribution pursuant to
11 Section 7-1-6.1 NMSA 1978 shall be made to the local
12 governments road fund in an amount equal to [~~eleven and~~
13 ~~eleven hundredths~~] eight and seven-tenths percent of the net
14 receipts attributable to the taxes, exclusive of penalties
15 and interest, from the special fuel excise tax imposed by the
16 Special Fuels Supplier Tax Act. "

17 Section 7. Section 7-2-5.2 NMSA 1978 (being Laws 1985,
18 Chapter 114, Section 1, as amended) is amended to read:

19 "7-2-5.2. EXEMPTION--INCOME OF PERSONS SIXTY-FIVE AND
20 OLDER OR BLIND. --Any individual sixty-five years of age or
21 older or who, for federal income tax purposes, is blind may
22 claim an exemption in an amount specified in Subsections A
23 through C of this section not to exceed eight thousand
24 dollars (\$8,000) of income includable except for this
25 exemption in net income. Individuals having income both

1 within and without this state shall apportion this exemption
2 in accordance with regulations of the secretary.

3 A. For married individuals filing separate
4 returns, for any taxable year beginning on or after January
5 1, 1987:

6	The maximum amount of
7	exemption allowable under
8	this section shall be:
9	Not over \$15,000 \$8,000
10	Over \$15,000 but not over \$16,500 \$7,000
11	Over \$16,500 but not over \$18,000 \$6,000
12	Over \$18,000 but not over \$19,500 \$5,000
13	Over \$19,500 but not over \$21,000 \$4,000
14	Over \$21,000 but not over \$22,500 \$3,000
15	Over \$22,500 [but not over \$24,000 \$2,000] <u>\$2,500</u>
16	[Over \$24,000 but not over \$25,500 \$1,000
17	Over \$25,500 0].

18 B. For heads of household, surviving spouses and
19 married individuals filing joint returns, for any taxable year
20 beginning on or after January 1, 1987:

21	The maximum amount of
22	exemption allowable under
23	this section shall be:
24	Not over \$30,000 \$8,000
25	Over \$30,000 but not over \$33,000 \$7,000

. 148645. 1

underscored material = new
[bracketed material] = delete

1	Over \$33,000 but not over \$36,000	\$6,000
2	Over \$36,000 but not over \$39,000	\$5,000
3	Over \$39,000 but not over \$42,000	\$4,000
4	Over \$42,000 but not over \$45,000	\$3,000
5	Over \$45,000 [but not over \$48,000]	\$2,000 <u>\$2,500</u>
6	[Over \$48,000 but not over \$51,000	\$1,000
7	Over \$51,000	0].

8 C. For single individuals, for any taxable year
9 beginning on or after January 1, 1987:

10		The maximum amount of
11	If adjusted	exemption allowable under
12	gross income is:	this section shall be:
13	Not over \$18,000	\$8,000
14	Over \$18,000 but not over \$19,500	\$7,000
15	Over \$19,500 but not over \$21,000	\$6,000
16	Over \$21,000 but not over \$22,500	\$5,000
17	Over \$22,500 but not over \$24,000	\$4,000
18	Over \$24,000 but not over \$25,500	\$3,000
19	Over \$25,500 [but not over \$27,000]	\$2,000 <u>\$2,500</u>
20	[Over \$27,000 but not over \$28,500	\$1,000
21	Over \$28,500	0]. "

22 Section 8. Section 7-2-7 NMSA 1978 (being Laws 2003,
23 Chapter 2, Section 3), which is to become effective January 1,
24 2004, is amended to read:

25 "7-2-7. INDIVIDUAL INCOME TAX RATES. --The tax imposed by

underscored material = new
[bracketed material] = delete

1 Section 7-2-3 NMSA 1978 shall be at the following rates for any
2 taxable year beginning in 2004:

3 A. For married individuals filing separate returns:

4 If the taxable income is:	The tax shall be:
5 Not over \$4,000	1.7% of taxable income
6 Over \$ 4,000 but not over \$ 8,000	\$ 68.00 plus 3.2% of 7 excess over \$ 4,000
8 Over \$ 8,000 but not over \$ 12,000	\$ 196 plus 4.7% of 9 excess over \$ 8,000
10 Over \$ 12,000 but not over \$ 20,000	\$ 384 plus 6.0% of 11 excess over \$ 12,000
12 Over \$ 20,000	\$ 864 plus 6.8% of 13 excess over \$ 20,000.

14 B. For heads of household, surviving spouses and
15 married individuals filing joint returns:

16 If the taxable income is:	The tax shall be:
17 Not over \$8,000	1.7% of taxable income
18 Over \$ 8,000 but not over \$ 16,000	\$ 136 plus 3.2% of 19 excess over \$ 8,000
20 Over \$ 16,000 but not over \$ 24,000	\$ 392 plus 4.7% of 21 excess over \$ 16,000
22 Over \$ 24,000 but not over \$ 40,000	\$ 768 plus 6.0% of 23 excess over \$ 24,000
24 Over \$ 40,000	\$ 1,728 plus 6.8% of 25 excess over \$ 40,000.

. 148645. 1

underscored material = new
[bracketed material] = delete

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C. For single individuals and for estates and

trusts:

If the taxable income is:	The tax shall be:
Not over \$5,500	1.7% of taxable income
Over \$ 5,500 but not over \$ 11,000	\$ 93.50 plus 3.2% of excess over \$ 5,500
Over \$ 11,000 but not over \$ 16,000	\$ 269.50 plus 4.7% of excess over \$ 11,000
Over \$ 16,000 but not over \$ 26,000	\$ 504.50 plus 6.0% of excess over \$ 16,000
Over \$ 26,000	\$1,104.50 plus 6.8% of excess over \$ 26,000.

~~[D.— For heads of household filing returns:~~

If the taxable income is:	The tax shall be:
Not over \$7,000	1.7% of taxable income
Over \$ 7,000 but not over \$ 14,000	\$ 119 plus 3.2% of excess over \$ 7,000
Over \$ 14,000 but not over \$ 20,000	\$ 343 plus 4.7% of excess over \$ 14,000
Over \$ 20,000 but not over \$ 33,000	\$ 625 plus 6.0% of excess over \$ 20,000
Over \$ 33,000	\$1,405 plus 6.8% of excess over \$ 33,000.

~~E.]~~ D. The tax on the sum of any lump-sum amounts included in net income is an amount equal to five multiplied by .148645. 1

underscored material = new
[bracketed material] = delete

1 the difference between:

2 (1) the amount of tax due on the taxpayer's
3 taxable income; and

4 (2) the amount of tax that would be due on an
5 amount equal to the taxpayer's taxable income and twenty percent
6 of the taxpayer's lump-sum amounts included in net income."

7 Section 9. Section 7-2-7 NMSA 1978 (being Laws 2003,
8 Chapter 2, Section 4), which is to become effective January 1,
9 2005, is amended to read:

10 "7-2-7. INDIVIDUAL INCOME TAX RATES. --The tax imposed by
11 Section 7-2-3 NMSA 1978 shall be at the following rates for any
12 taxable year beginning in 2005:

13 A. For married individuals filing separate returns:

14 If the taxable income is:	The tax shall be:
15 Not over \$4,000	1.7% of taxable income
16 Over \$ 4,000 but not over \$ 8,000	\$ 68.00 plus 3.2% of
	17 excess over \$ 4,000
18 Over \$ 8,000 but not over \$ 12,000	\$ 196 plus 4.7% of
	19 excess over \$ 8,000
20 Over \$ 12,000	\$ 384 plus 6.0% of
	21 excess over \$ 12,000.

22 B. For heads of household, surviving spouses and
23 married individuals filing joint returns:

24 If the taxable income is:	The tax shall be:
25 Not over \$8,000	1.7% of taxable income

underscored material = new
[bracketed material] = delete

1 Over \$ 8,000 but not over \$ 16,000 \$ 136 plus 3.2% of
2 excess over \$ 8,000
3 Over \$ 16,000 but not over \$ 24,000 \$ 392 plus 4.7% of
4 excess over \$ 16,000
5 Over \$ 24,000 \$ 768 plus 6.0% of
6 excess over \$ 24,000.

7 C. For single individuals and for estates and
8 trusts:

9 If the taxable income is: The tax shall be:
10 Not over \$5,500 1.7% of taxable income
11 Over \$ 5,500 but not over \$ 11,000 \$ 93.50 plus 3.2% of
12 excess over \$ 5,500
13 Over \$ 11,000 but not over \$ 16,000 \$ 269.50 plus 4.7% of
14 excess over \$ 11,000
15 Over \$ 16,000 \$ 504.50 plus 6.0% of
16 excess over \$ 16,000.

17 ~~[D. For heads of household filing returns:~~
18 ~~If the taxable income is: The tax shall be:~~
19 ~~Not over \$7,000 1.7% of taxable income~~
20 ~~Over \$ 7,000 but not over \$ 14,000 \$ 119 plus 3.2% of~~
21 ~~excess over \$ 7,000~~
22 ~~Over \$ 14,000 but not over \$ 20,000 \$ 343 plus 4.7% of~~
23 ~~excess over \$ 14,000~~
24 ~~Over \$ 20,000 \$ 625 plus 6.0% of~~
25 ~~excess over \$ 20,000.~~

. 148645. 1

underscored material = new
[bracketed material] = delete

1 E.] D. The tax on the sum of any lump-sum amounts
2 included in net income is an amount equal to five multiplied by
3 the difference between:

4 (1) the amount of tax due on the taxpayer's
5 taxable income; and

6 (2) the amount of tax that would be due on an
7 amount equal to the taxpayer's taxable income and twenty percent
8 of the taxpayer's lump-sum amounts included in net income. "

9 Section 10. Section 7-2-7 NMSA 1978 (being Laws 2003,
10 Chapter 2, Section 5), which is to become effective January 1,
11 2006, is amended to read:

12 "7-2-7. INDIVIDUAL INCOME TAX RATES. --The tax imposed by
13 Section 7-2-3 NMSA 1978 shall be at the following rates for any
14 taxable year beginning in 2006:

15 A. For married individuals filing separate returns:

If the taxable income is:	The tax shall be:
Not over \$4,000	1.7% of taxable income
Over \$ 4,000 but not over \$ 8,000	\$ 68.00 plus 3.2% of excess over \$ 4,000
Over \$ 8,000 but not over \$ 12,000	\$ 196 plus 4.7% of excess over \$ 8,000
Over \$ 12,000	\$ 384 plus 5.3% of excess over \$ 12,000.

24 B. For heads of household, surviving spouses and
25 married individuals filing joint returns:

. 148645. 1

underscored material = new
[bracketed material] = delete

1 If the taxable income is: The tax shall be:
2 Not over \$8,000 1.7% of taxable income
3 Over \$ 8,000 but not over \$ 16,000 \$ 136 plus 3.2% of
4 excess over \$ 8,000
5 Over \$ 16,000 but not over \$ 24,000 \$ 392 plus 4.7% of
6 excess over \$ 16,000
7 Over \$ 24,000 \$ 768 plus 5.3% of
8 excess over \$ 24,000.

9 C. For single individuals and for estates and
10 trusts:

11 If the taxable income is: The tax shall be:
12 Not over \$5,500 1.7% of taxable income
13 Over \$ 5,500 but not over \$ 11,000 \$ 93.50 plus 3.2% of
14 excess over \$ 5,500
15 Over \$ 11,000 but not over \$ 16,000 \$ 269.50 plus 4.7% of
16 excess over \$ 11,000
17 Over \$ 16,000 \$ 504.50 plus 5.3% of
18 excess over \$ 16,000.

19 ~~[D. For heads of household filing returns:~~

20 ~~If the taxable income is: The tax shall be:~~
21 ~~Not over \$7,000 1.7% of taxable income~~
22 ~~Over \$ 7,000 but not over \$ 14,000 \$ 119 plus 3.2% of~~
23 ~~excess over \$ 7,000~~
24 ~~Over \$ 14,000 but not over \$ 20,000 \$ 343 plus 4.7% of~~
25 ~~excess over \$ 14,000~~

. 148645. 1

1 ~~Over \$ 20,000~~ ~~\$ 625 plus 5.3% of~~
2 ~~excess over \$ 20,000.~~

3 E.] D. The tax on the sum of any lump-sum amounts
4 included in net income is an amount equal to five multiplied by
5 the difference between:

6 (1) the amount of tax due on the taxpayer's
7 taxable income; and

8 (2) the amount of tax that would be due on an
9 amount equal to the taxpayer's taxable income and twenty percent
10 of the taxpayer's lump-sum amounts included in net income. "

11 Section 11. Section 7-2-7 NMSA 1978 (being Laws 2003,
12 Chapter 2, Section 6), which is to become effective January 1,
13 2007, is amended to read:

14 "7-2-7. INDIVIDUAL INCOME TAX RATES. --The tax imposed by
15 Section 7-2-3 NMSA 1978 shall be at the following rates for any
16 taxable year beginning on or after January 1, 2007:

17 A. For married individuals filing separate returns:

18 If the taxable income is:	The tax shall be:
19 Not over \$4,000	1.7% of taxable income
20 Over \$ 4,000 but not over \$ 8,000	\$ 68.00 plus 3.2% of
21	excess over \$ 4,000
22 Over \$ 8,000 but not over \$ 12,000	\$ 196 plus 4.7% of
23	excess over \$ 8,000
24 Over \$ 12,000	\$ 384 plus 4.9% of
25	excess over \$ 12,000.

. 148645. 1

underscored material = new
[bracketed material] = delete

1 B. For heads of household, surviving spouses and
2 married individuals filing joint returns:

3 If the taxable income is:	The tax shall be:
4 Not over \$8,000	1.7% of taxable income
5 Over \$ 8,000 but not over \$ 16,000	\$ 136 plus 3.2% of
6	excess over \$ 8,000
7 Over \$ 16,000 but not over \$ 24,000	\$ 392 plus 4.7% of
8	excess over \$ 16,000
9 Over \$ 24,000	\$ 768 plus 4.9% of
10	excess over \$ 24,000.

11 C. For single individuals and for estates and
12 trusts:

13 If the taxable income is:	The tax shall be:
14 Not over \$5,500	1.7% of taxable income
15 Over \$ 5,500 but not over \$ 11,000	\$ 93.50 plus 3.2% of
16	excess over \$ 5,500
17 Over \$ 11,000 but not over \$ 16,000	\$ 269.50 plus 4.7% of
18	excess over \$ 11,000
19 Over \$ 16,000	\$ 504.50 plus 4.9% of
20	excess over \$ 16,000.

21 ~~[D. For heads of household filing returns:~~

22 If the taxable income is:	The tax shall be:
23 Not over \$7,000	1.7% of taxable income
24 Over \$ 7,000 but not over \$ 14,000	\$ 119 plus 3.2% of
25 _____	excess over \$ 7,000

underscored material = new
[bracketed material] = delete

1 ~~Over \$ 14,000 but not over \$ 20,000 \$ 343 plus 4.7% of~~
2 ~~_____ excess over \$ 14,000~~
3 ~~Over \$ 20,000 \$ 625 plus 4.9% of~~
4 ~~_____ excess over \$ 20,000.~~

5 E.] D. The tax on the sum of any lump-sum amounts
6 included in net income is an amount equal to five multiplied by
7 the difference between:

8 (1) the amount of tax due on the taxpayer's
9 taxable income; and

10 (2) the amount of tax that would be due on an
11 amount equal to the taxpayer's taxable income and twenty percent
12 of the taxpayer's lump-sum amounts included in net income. "

13 Section 12. Section 7-2-14 NMSA 1978 (being Laws 1972,
14 Chapter 20, Section 2, as amended) is amended to read:

15 "7-2-14. [~~LOW-INCOME COMPREHENSIVE TAX REBATE~~] FAMILY AND
16 INDIVIDUAL REBATE. --

17 A. Except as otherwise provided in Subsection B of
18 this section, any resident who files an individual New Mexico
19 income tax return and who is not a dependent of another
20 individual may claim a tax rebate for a portion of state and
21 local taxes to which the resident has been subject during the
22 taxable year for which the return is filed. The tax rebate may
23 be claimed even though the resident has no income taxable under
24 the Income Tax Act. A husband and wife who file separate
25 returns for a taxable year in which they could have filed a

. 148645. 1

underscored material = new
[bracketed material] = delete

1 joint return may each claim only one-half of the tax rebate that
2 would have been allowed on a joint return.

3 B. No claim for the tax rebate provided in this
4 section shall be filed by a resident who was an inmate of a
5 public institution for more than six months during the taxable
6 year for which the tax rebate could be claimed or who was not
7 physically present in New Mexico for at least six months during
8 the taxable year for which the tax rebate could be claimed.

9 C. For the purposes of this section, the total
10 number of exemptions for which a tax rebate may be claimed or
11 allowed is determined by adding the number of federal exemptions
12 allowable for federal income tax purposes for each individual
13 included in the return who is domiciled in New Mexico plus two
14 additional exemptions for each individual domiciled in New
15 Mexico included in the return who is sixty-five years of age or
16 older plus one additional exemption for each individual
17 domiciled in New Mexico included in the return who, for federal
18 income tax purposes, is blind plus one exemption for each minor
19 child or stepchild of the resident who would be a dependent for
20 federal income tax purposes if the public assistance
21 contributing to the support of the child or stepchild was
22 considered to have been contributed by the resident.

23 D. The tax rebate provided for in this section may
24 be claimed in the amount shown in the following table:

25 Modified gross And the total number

. 148645. 1

underscored material = new
[bracketed material] = delete

1	income is:								of exemptions is:
2	[But	Not						6 or
3	Over	Over	1	2	3	4	5	More	
4	\$ 0	\$ 500	\$120	\$160	\$200	\$240	\$280	\$320	
5	500	1,000	135	195	250	310	350	415	
6	1,000	1,500	135	195	250	310	350	435	
7	1,500	2,000	135	195	250	310	350	450	
8	2,000	2,500	135	195	250	310	350	450	
9	2,500	3,000	135	195	250	310	350	450	
10	3,000	3,500	135	195	250	310	350	450	
11	3,500	4,000	135	195	250	310	355	450	
12	4,000	4,500	135	195	250	310	355	450	
13	4,500	5,000	125	190	240	305	355	450	
14	5,000	5,500	115	175	230	295	355	430	
15	5,500	6,000	105	155	210	260	315	410	
16	6,000	7,000	90	130	170	220	275	370	
17	7,000	8,000	80	115	145	180	225	295	
18	8,000	9,000	70	105	135	170	195	240	
19	9,000	10,000	65	95	115	145	175	205	
20	10,000	11,000	60	80	100	130	155	185	
21	11,000	12,000	55	70	90	110	135	160	
22	12,000	13,000	50	65	85	100	115	140	
23	13,000	14,000	50	65	85	100	115	140	
24	14,000	15,000	45	60	75	90	105	120	
25	15,000	16,000	40	55	70	85	95	110	

. 148645. 1

underscored material = new
 [bracketed material] = del ete

1	16,000	17,000	35	50	65	80	85	105	
2	17,000	18,000	30	45	60	70	80	95	
3	18,000	19,000	25	35	50	60	70	80	
4	19,000	20,000	20	30	40	50	60	65	
5	20,000	21,000	15	25	30	40	50	55	
6	21,000	22,000	10	20	25	35	40	45]	
7	But Not								7 or
8	Over	Over	1	2	3	4	5	6	More
9	\$ 0	\$1,000	\$180	\$281	\$373	\$460	\$515	\$605	\$704
10	1,000	3,000	180	281	373	460	515	640	745
11	3,000	5,000	180	281	373	460	520	640	745
12	5,000	6,000	160	261	353	445	520	620	722
13	6,000	7,000	135	216	293	370	440	560	652
14	7,000	8,000	125	201	268	330	390	485	564
15	8,000	9,000	115	191	258	320	360	430	500
16	9,000	10,000	103	181	238	295	340	395	459
17	10,000	11,000	85	166	223	280	320	375	436
18	11,000	12,000	65	156	213	260	300	350	407
19	12,000	13,000	50	144	208	250	280	330	383
20	13,000	14,000	50	137	208	250	280	330	383
21	14,000	15,000	45	120	198	240	270	310	360
22	15,000	16,000	40	105	193	235	260	300	348
23	16,000	17,000	35	90	170	230	250	295	343
24	17,000	18,000	30	78	155	220	245	285	331
25	18,000	19,000	25	61	130	210	235	270	313

. 148645. 1

underscored material = new
[bracketed material] = delete

1	<u>19,000</u>	<u>20,000</u>	<u>20</u>	<u>49</u>	<u>105</u>	<u>195</u>	<u>225</u>	<u>255</u>	<u>296</u>
2	<u>20,000</u>	<u>21,000</u>	<u>15</u>	<u>37</u>	<u>80</u>	<u>175</u>	<u>215</u>	<u>245</u>	<u>284</u>
3	<u>21,000</u>	<u>22,000</u>	<u>10</u>	<u>20</u>	<u>70</u>	<u>160</u>	<u>205</u>	<u>235</u>	<u>273</u>
4	<u>22,000</u>	<u>23,000</u>	<u>0</u>	<u>0</u>	<u>45</u>	<u>115</u>	<u>155</u>	<u>183</u>	<u>220</u>
5	<u>23,000</u>	<u>24,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>105</u>	<u>145</u>	<u>176</u>	<u>210</u>
6	<u>24,000</u>	<u>25,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>60</u>	<u>135</u>	<u>169</u>	<u>200</u>
7	<u>25,000</u>	<u>26,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>45</u>	<u>125</u>	<u>145</u>	<u>190</u>
8	<u>26,000</u>	<u>27,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>30</u>	<u>115</u>	<u>138</u>	<u>180</u>
9	<u>27,000</u>	<u>28,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15</u>	<u>105</u>	<u>131</u>	<u>170</u>
10	<u>28,000</u>	<u>29,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>95</u>	<u>124</u>	<u>150</u>
11	<u>29,000</u>	<u>30,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>45</u>	<u>117</u>	<u>130</u>
12	<u>30,000</u>	<u>31,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>30</u>	<u>105</u>	<u>120</u>
13	<u>31,000</u>	<u>32,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>93</u>	<u>115</u>
14	<u>32,000</u>	<u>33,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>81</u>	<u>100</u>
15	<u>33,000</u>	<u>34,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>45</u>	<u>85</u>
16	<u>34,000</u>	<u>35,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>30</u>	<u>73</u>
17	<u>35,000</u>	<u>36,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15</u>	<u>61</u>
18	<u>36,000</u>	<u>37,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>49</u>
19	<u>37,000</u>	<u>38,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>37</u>
20	<u>38,000</u>	<u>39,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>25.</u>

21 E. If a taxpayer's modified gross income is zero,
22 the taxpayer may claim a credit in the amount shown in the
23 first row of the table appropriate for the taxpayer's number of
24 exemptions.

25 F. The tax rebates provided for in this section may

underscored material = new
[bracketed material] = delete

1 be deducted from the taxpayer's New Mexico income tax liability
2 for the taxable year. If the tax rebates exceed the taxpayer's
3 income tax liability, the excess shall be refunded to the
4 taxpayer.

5 G. For purposes of this section:

6 (1) "dependent" means "dependent" as defined
7 by Section 152 of the Internal Revenue Code of 1986, as that
8 section may be amended or renumbered, but also includes any
9 minor child or stepchild of the resident who would be a
10 dependent for federal income tax purposes if the public
11 assistance contributing to the support of the child or
12 stepchild was considered to have been contributed by the
13 resident; and

14 (2) "modified gross income" means "modified
15 gross income" as defined in Section 7-2-2 NMSA 1978 but also
16 includes the value of food stamp program benefits."

17 Section 13. A new section of the Income Tax Act is
18 enacted to read:

19 "[NEW MATERIAL] ADDITIONAL EXEMPTION AMOUNT. --

20 A. An individual may claim an additional exemption
21 amount as specified in Subsections B, C and D of this section;
22 provided that the additional exemption amount shall not exceed
23 an amount equal to the number of federal exemptions multiplied
24 by three thousand dollars (\$3,000) of income includable, except
25 for this exemption, in net income. Individuals having income

. 148645. 1

1 both within and without this state shall apportion this
2 exemption in accordance with regulations of the secretary.

3 B. For single individuals:

4 (1) if the number of federal exemptions is
5 one, the additional exemption amount shall be three thousand
6 dollars (\$3,000) less fifteen percent of the amount obtained by
7 subtracting eight thousand dollars (\$8,000) from the adjusted
8 gross income;

9 (2) if the number of federal exemptions is
10 two, the additional exemption amount for each federal exemption
11 shall be three thousand dollars (\$3,000) less fifteen percent
12 of the amount obtained by subtracting eleven thousand dollars
13 (\$11,000) from the adjusted gross income;

14 (3) if the number of federal exemptions is
15 three, the additional exemption amount for each federal
16 exemption shall be three thousand dollars (\$3,000) less fifteen
17 percent of the amount obtained by subtracting fourteen thousand
18 dollars (\$14,000) from the adjusted gross income;

19 (4) if the number of federal exemptions is
20 four, the additional exemption amount for each federal
21 exemption shall be three thousand dollars (\$3,000) less fifteen
22 percent of the amount obtained by subtracting seventeen
23 thousand dollars (\$17,000) from the adjusted gross income;

24 (5) if the number of federal exemptions is
25 five, the additional exemption amount for each federal

underscored material = new
[bracketed material] = delete

1 exemption shall be three thousand dollars (\$3,000) less fifteen
2 percent of the amount obtained by subtracting twenty thousand
3 dollars (\$20,000) from the adjusted gross income;

4 (6) if the number of federal exemptions is
5 six, the additional exemption amount for each federal exemption
6 shall be three thousand dollars (\$3,000) less fifteen percent
7 of the amount obtained by subtracting twenty-three thousand
8 dollars (\$23,000) from the adjusted gross income; and

9 (7) if the number of federal exemptions is
10 seven or more, the additional exemption amount for each federal
11 exemption shall be three thousand dollars (\$3,000) less fifteen
12 percent of the amount obtained by subtracting twenty-six
13 thousand dollars (\$26,000) from the adjusted gross income.

14 C. For heads of household, surviving spouses and
15 married individuals filing joint returns:

16 (1) if the number of federal exemptions is
17 one, the additional exemption amount shall be three thousand
18 dollars (\$3,000) less fifteen percent of the amount obtained by
19 subtracting twelve thousand dollars (\$12,000) from the adjusted
20 gross income;

21 (2) if the number of federal exemptions is
22 two, the additional exemption amount for each federal exemption
23 shall be three thousand dollars (\$3,000) less fifteen percent
24 of the amount obtained by subtracting fifteen thousand dollars
25 (\$15,000) from the adjusted gross income;

. 148645. 1

underscored material = new
[bracketed material] = delete

1 (3) if the number of federal exemptions is
2 three, the additional exemption amount for each federal
3 exemption shall be three thousand dollars (\$3,000) less fifteen
4 percent of the amount obtained by subtracting eighteen thousand
5 dollars (\$18,000) from the adjusted gross income;

6 (4) if the number of federal exemptions is
7 four, the additional exemption amount for each federal
8 exemption shall be three thousand dollars (\$3,000) less fifteen
9 percent of the amount obtained by subtracting twenty-one
10 thousand dollars (\$21,000) from the adjusted gross income;

11 (5) if the number of federal exemptions is
12 five, the additional exemption amount for each federal
13 exemption shall be three thousand dollars (\$3,000) less fifteen
14 percent of the amount obtained by subtracting twenty-four
15 thousand dollars (\$24,000) from the adjusted gross income;

16 (6) if the number of federal exemptions is
17 six, the additional exemption amount for each federal exemption
18 shall be three thousand dollars (\$3,000) less fifteen percent
19 of the amount obtained by subtracting twenty-seven thousand
20 dollars (\$27,000) from the adjusted gross income; and

21 (7) if the number of federal exemptions is
22 seven or more, the additional exemption amount for each federal
23 exemption shall be three thousand dollars (\$3,000) less fifteen
24 percent of the amount obtained by subtracting thirty thousand
25 dollars (\$30,000) from the adjusted gross income.

underscored material = new
[bracketed material] = delete

1 D. For married individuals filing separate returns:

2 (1) if the number of federal exemptions is
3 one, the additional exemption amount shall be three thousand
4 dollars (\$3,000) less fifteen percent of the amount obtained by
5 subtracting six thousand dollars (\$6,000) from the adjusted
6 gross income;

7 (2) if the number of federal exemptions is
8 two, the additional exemption amount for each federal exemption
9 shall be three thousand dollars (\$3,000) less fifteen percent
10 of the amount obtained by subtracting seven thousand five
11 hundred dollars (\$7,500) from the adjusted gross income;

12 (3) if the number of federal exemptions is
13 three, the additional exemption amount for each federal
14 exemption shall be three thousand dollars (\$3,000) less fifteen
15 percent of the amount obtained by subtracting nine thousand
16 dollars (\$9,000) from the adjusted gross income;

17 (4) if the number of federal exemptions is
18 four, the additional exemption amount for each federal
19 exemption shall be three thousand dollars (\$3,000) less fifteen
20 percent of the amount obtained by subtracting ten thousand five
21 hundred dollars (\$10,500) from the adjusted gross income;

22 (5) if the number of federal exemptions is
23 five, the additional exemption amount for each federal
24 exemption shall be three thousand dollars (\$3,000) less fifteen
25 percent of the amount obtained by subtracting twelve thousand

underscored material = new
[bracketed material] = delete

1 dollars (\$12,000) from the adjusted gross income;

2 (6) if the number of federal exemptions is
3 six, the additional exemption amount for each federal exemption
4 shall be three thousand dollars (\$3,000) less fifteen percent
5 of the amount obtained by subtracting thirteen thousand five
6 hundred dollars (\$13,500) from the adjusted gross income; and

7 (7) if the number of federal exemptions is
8 seven or more, the additional exemption amount for each federal
9 exemption shall be three thousand dollars (\$3,000) less fifteen
10 percent of the amount obtained by subtracting fifteen thousand
11 dollars (\$15,000) from the adjusted gross income.

12 E. For the purposes of this section, "federal
13 exemption" means an exemption allowable for federal income tax
14 purposes for an individual included in the return who is
15 domiciled in New Mexico.

16 F. In lieu of the computations required to
17 determine the amount of the additional exemption provided by
18 this section, the secretary may adopt regulations allowing the
19 use of tables to determine the additional exemption amount.
20 The tables may be established either by regulation or
21 instruction but shall be computed substantially on the basis of
22 the computations prescribed in this section. "

23 Section 14. A new section of the Gross Receipts and
24 Compensating Tax Act is enacted to read:

25 "[NEW MATERIAL] HIGH-WAGE JOBS TAX CREDIT. --

. 148645. 1

underscored material = new
[bracketed material] = delete

1 A. A taxpayer who is an eligible employer may apply
2 for, and the taxation and revenue department may allow, a tax
3 credit for each new high-wage economic-based job. The credit
4 provided in this section may be referred to as the "high-wage
5 jobs tax credit".

6 B. The high-wage jobs tax credit may be claimed and
7 allowed in an amount equal to ten percent of the wages
8 distributed to an eligible employee in a new high-wage
9 economic-based job, but shall not exceed twelve thousand
10 dollars (\$12,000).

11 C. The high-wage jobs tax credit may be claimed by
12 an eligible employer for each new high-wage economic-based job
13 performed for the year in which the new high-wage economic-
14 based job is created and for the three following qualifying
15 periods.

16 D. A new high-wage economic-based job shall not be
17 eligible for a credit pursuant to this section unless the
18 eligible employer's total number of employees with new high-
19 wage economic-based jobs on the last day of the qualifying
20 period at the location at which the job is performed or based
21 is at least one more than the number on the day prior to the
22 date the job was created.

23 E. With respect to each new high-wage economic-
24 based job for which an eligible employer seeks the high-wage
25 jobs tax credit, the employer shall certify:

underscored material = new
[bracketed material] = delete

1 (1) the amount of wages paid to each eligible
2 employee in a new high-wage economic-based job during each
3 qualifying period;

4 (2) the number of weeks the position was
5 occupied during the qualifying period;

6 (3) whether the new high-wage economic-based
7 job was performed or based in:

8 (a) a municipality with a population of
9 forty thousand or more according to the most recent federal
10 decennial census;

11 (b) a municipality with a population of
12 less than forty thousand according to the most recent federal
13 decennial census; or

14 (c) the unincorporated area of a county;
15 and

16 (4) the total number of employees employed by
17 the employer at the job location on the day prior to the
18 qualifying period and on the last day of the qualifying period.

19 F. To receive a high-wage jobs tax credit with
20 respect to any qualifying period, an eligible employer shall
21 apply to the taxation and revenue department on forms and in
22 the manner prescribed by the department. The application shall
23 include a certification made pursuant to Subsection E of this
24 section.

25 G. The credit provided in this section may be

underscored material = new
[bracketed material] = delete

1 deducted from the modified combined tax liability of a
2 taxpayer. If the credit exceeds the modified combined tax
3 liability of the taxpayer, the excess shall be refunded to the
4 taxpayer.

5 H. As used in this section:

6 (1) "eligible employee" means an individual
7 who is employed by an eligible employer and who is a resident
8 of New Mexico; "eligible employee" does not include an
9 individual who:

10 (a) bears any of the relationships
11 described in Paragraphs (1) through (8) of 26 U. S. C. Section
12 152(a) to the employer or, if the employer is a corporation, to
13 an individual who owns, directly or indirectly, more than fifty
14 percent in value of the outstanding stock of the corporation
15 or, if the employer is an entity other than a corporation, to
16 an individual who owns, directly or indirectly, more than fifty
17 percent of the capital and profits interest in the entity;

18 (b) if the employer is an estate or
19 trust, is a grantor, beneficiary or fiduciary of the estate or
20 trust or is an individual who bears any of the relationships
21 described in Paragraphs (1) through (8) of 26 U. S. C. Section
22 152(a) to a grantor, beneficiary or fiduciary of the estate or
23 trust;

24 (c) is a dependent, as that term is
25 described in 26 U. S. C. Section 152(a) (9), of the employer or,

1 if the taxpayer is a corporation, of an individual who owns,
2 directly or indirectly, more than fifty percent in value of the
3 outstanding stock of the corporation or, if the employer is an
4 entity other than a corporation, of an individual who owns,
5 directly or indirectly, more than fifty percent of the capital
6 and profits interests in the entity or, if the employer is an
7 estate or trust, of a grantor, beneficiary or fiduciary of the
8 estate or trust; or

9 (d) is working or has worked as an
10 employee or as an independent contractor for an entity that
11 directly or indirectly owns stock in a corporation of the
12 eligible employer or other interest of the eligible employer
13 that represents fifty percent or more of the total voting power
14 of that entity or has a value equal to fifty percent or more of
15 the capital and profits interest in the entity;

16 (2) "eligible employer" means an employer
17 that:

18 (a) made more than fifty percent of its
19 sales to persons outside New Mexico during the most recent
20 twelve months of the employer's modified combined tax liability
21 reporting periods ending prior to claiming a high-wage jobs tax
22 credit; and

23 (b) is eligible for training assistance
24 pursuant to Section 21-19-7 NMSA 1978;

25 (3) "modified combined tax liability" means

underscored material = new
[bracketed material] = delete

1 the total liability for the reporting period for the gross
2 receipts tax imposed by Section 7-9-4 NMSA 1978 together with
3 any tax collected at the same time and in the same manner as
4 the gross receipts tax, including the compensating tax,
5 withholding tax, interstate telecommunications gross receipts
6 tax, surcharges imposed by Section 63-9D-5 NMSA 1978 and the
7 surcharge imposed by Section 63-9F-11 NMSA 1978, minus the
8 amount of any credit other than the high-wage jobs tax credit
9 applied against any or all of these taxes or surcharges; but
10 "modified combined tax liability" excludes all amounts
11 collected with respect to local option gross receipts taxes;

12 (4) "new high-wage economic-based job" means
13 a job created by an eligible employer on or after July 1, 2004
14 and prior to July 1, 2009 that is occupied for at least forty-
15 eight weeks of a qualifying period by an eligible employee who
16 is paid wages calculated for the qualifying period to be at
17 least:

18 (a) forty thousand dollars (\$40,000) if
19 the job is performed or based in a municipality with a
20 population of forty thousand or more according to the most
21 recent federal decennial census; and

22 (b) twenty-eight thousand dollars
23 (\$28,000) if the job is performed or based in a municipality
24 with a population of less than forty thousand according to the
25 most recent federal decennial census or in the unincorporated

underscored material = new
[bracketed material] = delete

1 area of a county;

2 (5) "qualifying period" means the period of
3 twelve months beginning on the day an eligible employee begins
4 working in a new high-wage economic-based job or the period of
5 twelve months beginning on the anniversary of the day an
6 eligible employee began working in a new high-wage economic-
7 based job; and

8 (6) "wages" means wages as defined in
9 Paragraphs (1), (2) and (3) of 26 U.S.C. Section 51(c)."

10 Section 15. A new section of the Gross Receipts and
11 Compensating Tax Act is enacted to read:

12 "[NEW MATERIAL] DEDUCTION--GROSS RECEIPTS--RESEARCH AND
13 DEVELOPMENT SMALL BUSINESSES.--

14 A. Receipts of a qualified research and development
15 small business may be deducted from gross receipts to the
16 extent that such receipts are directly related to the subject
17 matter of its qualified research, as defined in Paragraph (3)
18 of Subsection B of this section. The deduction provided by
19 this section may be claimed only for a period ending thirty-
20 five consecutive calendar months after the first calendar month
21 for which the deduction is claimed by the taxpayer or by a
22 person to whom the taxpayer is a successor pursuant to Section
23 7-1-61 NMSA 1978.

24 B. As used in this section:

25 (1) "qualified research and development small

underscoring material = new
[bracketed material] = delete

1 business" means a business, including a corporation, general
2 partnership, limited partnership, limited liability company,
3 sole proprietorship or other similar entity, that:

4 (a) employed no more than twenty-five
5 employees on a full-time-equivalent basis in any prior calendar
6 month;

7 (b) had total revenues of no more than
8 ten million dollars (\$10,000,000) in any prior fiscal year;

9 (c) did not in any prior calendar month
10 have more than fifty percent of its voting securities or other
11 equity interest with the right to designate or elect the board
12 of directors or other governing body of the qualified business
13 owned directly or indirectly by another business; and

14 (d) has made qualified research
15 expenditures for the period of twelve calendar months ending
16 with the month for which the deduction is sought of at least
17 twenty percent of its total revenues for those twelve calendar
18 months;

19 (2) "qualified research expenditure" means an
20 expenditure in connection with qualified research, but does not
21 include any expenditure on research funded by any grant,
22 contract or similar mechanism by another person or governmental
23 entity, and does not include any expenditure on property that
24 is owned by a municipality or county in connection with an
25 industrial revenue bond project or property for which the

1 taxpayer has received any credit pursuant to the Capital
2 Equipment Tax Credit Act, the Investment Credit Act or the
3 Technology Jobs Tax Credit Act; and

4 (3) "qualified research" means research:

5 (a) that is undertaken for the purpose
6 of discovering information that is technological in nature and
7 the application of which is intended to be useful in the
8 development of a new or improved business component of the
9 taxpayer; and

10 (b) in which substantially all
11 activities constitute elements of a process of experimentation
12 related to new or improved function, performance, reliability
13 or quality, but not related to style, taste, cosmetic or
14 seasonal design factors. "

15 Section 16. A new section of the Gross Receipts and
16 Compensating Tax Act is enacted to read:

17 "[NEW MATERIAL] DEDUCTION--COMPENSATING TAX--RESEARCH AND
18 DEVELOPMENT SMALL BUSINESSES.--

19 A. A qualified research and development small
20 business may deduct the value of tangible personal property in
21 computing the compensating tax due if the property is used in
22 connection with a qualified research expenditure. The
23 deduction provided by this section may be claimed only for a
24 period ending thirty-five consecutive calendar months after the
25 first calendar month for which the deduction is claimed.

. 148645. 1

underscored material = new
[bracketed material] = delete

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

B. As used in this section:

(1) "qualified research and development small business" means a business, including a corporation, general partnership, limited partnership, limited liability company, sole proprietorship or other similar entity, that:

(a) employed no more than twenty-five employees on a full-time-equivalent basis in any prior calendar month;

(b) had total revenues of no more than ten million dollars (\$10,000,000) in any prior fiscal year;

(c) did not in any prior calendar month have more than fifty percent of its voting securities or other equity interest with the right to designate or elect the board of directors or other governing body of the qualified business owned directly or indirectly by another business; and

(d) has made qualified research expenditures for the period of twelve calendar months ending with the month for which the deduction is sought of at least twenty percent of its total revenues for those twelve calendar months;

(2) "qualified research expenditure" means an expenditure in connection with qualified research, but does not include any expenditure on research funded by any grant, contract or similar mechanism by another person or governmental entity, and does not include any expenditure on property that

underscored material = new
[bracketed material] = delete

1 is owned by a municipality or county in connection with an
2 industrial revenue bond project or property for which the
3 taxpayer has received any credit pursuant to the Capital
4 Equipment Tax Credit Act, the Investment Credit Act or the
5 Technology Jobs Tax Credit Act; and

6 (3) "qualified research" means research:

7 (a) that is undertaken for the purpose
8 of discovering information that is technological in nature and
9 the application of which is intended to be useful in the
10 development of a new or improved business component of the
11 taxpayer; and

12 (b) in which substantially all
13 activities constitute elements of a process of experimentation
14 related to new or improved function, performance, reliability
15 or quality, but not related to style, taste, cosmetic or
16 seasonal design factors. "

17 Section 17. A new section of the Gross Receipts and
18 Compensating Tax Act is enacted to read:

19 "[NEW MATERIAL] EXEMPTION--GROSS RECEIPTS TAX--RECEIPTS
20 FROM CERTAIN ATHLETIC CONTESTS, SPORTING EVENTS AND CONCERTS.--
21 Exempted from the gross receipts tax are:

22 A. receipts from promoting professional contests
23 subject to the regulatory fee imposed pursuant to Section
24 60-2A-23 NMSA 1978 and from exhibiting live professional
25 contests subject to the supervisory fee imposed pursuant to

. 148645. 1

underscored material = new
[bracketed material] = delete

1 Section 60-2A-26 NMSA 1978;

2 B. receipts from ticket sales or admission fees for
3 professional contests as defined in Section 60-2A-2 NMSA 1978,
4 auto racing and one-time sporting events; and

5 C. receipts from ticket sales or admission fees for
6 a live concert held at a venue capable of accommodating at
7 least two thousand five hundred persons. "

8 Section 18. Section 7-9-3.2 NMSA 1978 (being Laws 1991,
9 Chapter 8, Section 1, as amended) is amended to read:

10 "7-9-3.2. ADDITIONAL DEFINITION. --

11 A. As used in the Gross Receipts and Compensating
12 Tax Act, "governmental gross receipts" means all receipts of
13 the state or any agency, institution, instrumentality or
14 political subdivision thereof from:

15 (1) the sale of tangible personal property
16 other than water from facilities open to the general public;

17 (2) the performance of or admissions to
18 recreational, athletic or entertainment services or events in
19 facilities open to the general public;

20 (3) refuse collection, refuse disposal or
21 both;

22 (4) sewage services; [and]

23 (5) the sale of water by a utility owned or
24 operated by a county, municipality or other political
25 subdivision of the state; and

. 148645. 1

1 (6) the renting of parking, docking or tie-
2 down spaces or the granting of permission to park vehicles, tie
3 down aircraft or dock boats.

4 "Governmental gross receipts" includes receipts from the
5 sale of tangible personal property handled on consignment when
6 sold from facilities open to the general public but excludes
7 cash discounts taken and allowed, governmental gross receipts
8 tax payable on transactions reportable for the period and any
9 type of time-price differential.

10 B. As used in this section, "facilities open to the
11 general public" does not include point of sale registers or
12 electronic devices at a bookstore owned or operated by a public
13 post-secondary educational institution when the registers or
14 devices are utilized in the sale of textbooks or other
15 materials required for courses at the institution to a student
16 enrolled at the institution who displays a valid student
17 identification card."

18 Section 19. Section 7-9-7 NMSA 1978 (being Laws 1966,
19 Chapter 47, Section 7, as amended) is amended to read:

20 "7-9-7. IMPOSITION AND RATE OF TAX--DENOMINATION AS
21 "COMPENSATING TAX".--

22 A. For the privilege of using tangible property in
23 New Mexico, there is imposed on the person using the property
24 an excise tax equal to five percent of the value of tangible
25 property that was:

. 148645. 1

underscored material = new
[bracketed material] = delete

1 (1) manufactured by the person using the
2 property in the state;

3 (2) acquired outside this state as the result
4 of a transaction that would have been subject to the gross
5 receipts tax had it occurred within this state; or

6 (3) acquired as the result of a transaction
7 which was not initially subject to the compensating tax imposed
8 by Paragraph (2) of this subsection or the gross receipts tax
9 but which transaction, because of the buyer's subsequent use of
10 the property, should have been subject to the compensating tax
11 imposed by Paragraph (2) of this subsection or the gross
12 receipts tax.

13 B. For the purpose of Subsection A of this section,
14 value of tangible property shall be the adjusted basis of the
15 property for federal income tax purposes determined as of the
16 time of acquisition or introduction into this state or of
17 conversion to use, whichever is later. If no adjusted basis
18 for federal income tax purposes is established for the
19 property, a reasonable value of the property shall be used.

20 C. For the privilege of using services rendered in
21 New Mexico, there is imposed on the person using such services
22 an excise tax equal to five percent of the value of the
23 services at the time they were rendered. The services, to be
24 taxable under this subsection, must have been rendered as the
25 result of a transaction which was not initially subject to the

. 148645. 1

underscored material = new
[bracketed material] = delete

1 gross receipts tax but which transaction, because of the
2 buyer's subsequent use of the services, should have been
3 subject to the gross receipts tax.

4 D. For the privilege of using services performed
5 outside New Mexico, the product of which is initially used in
6 New Mexico, there is imposed an excise tax equal to five
7 percent of the value of the services at the time they were
8 performed. The services, to be taxable under this subsection,
9 must have been performed by a seller that has no nexus with
10 this state in a transaction that would have been subject to the
11 gross receipts tax had it occurred within this state. The
12 department may promulgate rules to establish the value of the
13 services performed and to apportion fairly the value when the
14 services are performed or delivered simultaneously in more than
15 one state.

16 [~~D.~~] E. The tax imposed by this section shall be
17 referred to as the "compensating tax". "

18 Section 20. Section 7-9-7.1 NMSA 1978 (being Laws 1993,
19 Chapter 45, Section 1, as amended) is amended to read:

20 "7-9-7.1. DEPARTMENT BARRED FROM TAKING COLLECTION
21 ACTIONS WITH RESPECT TO CERTAIN COMPENSATING TAX LIABILITIES. --

22 A. The department shall take no action to enforce
23 collection of compensating tax or any local option compensating
24 tax due on purchases made by an individual if:

25 (1) the property is used only for nonbusiness

underscored material = new
[bracketed material] = delete

1 purposes;

2 (2) the property is not a manufactured home;
3 and

4 (3) the individual is not an agent for
5 collection of compensating tax pursuant to Section 7-9-10 NMSA
6 1978.

7 B. The prohibition in Subsection A of this section
8 does not prevent the department from enforcing collection of
9 compensating tax or any local option compensating tax on
10 purchases from persons who are not individuals, who are agents
11 for collection pursuant to Section 7-9-10 NMSA 1978 or who use
12 the property in the course of engaging in business in New
13 Mexico or from enforcing collection of compensating tax or any
14 local option compensating tax due on purchase of manufactured
15 homes. "

16 Section 21. Section 7-9-9 NMSA 1978 (being Laws 1966,
17 Chapter 47, Section 9, as amended) is amended to read:

18 "7-9-9. LIABILITY OF USER FOR PAYMENT OF COMPENSATING
19 TAX AND LOCAL OPTION COMPENSATING TAX. -- Any person in New
20 Mexico using property on the value of which compensating tax
21 and local option compensating tax is payable but has not been
22 paid is liable to the state for payment of the compensating tax
23 and applicable local option compensating tax, but this
24 liability is discharged if the buyer has paid the compensating
25 tax and applicable local option compensating tax to the seller

. 148645. 1

underscored material = new
[bracketed material] = delete

1 for payment over to the department. "

2 Section 22. A new section of the Gross Receipts and
3 Compensating Tax Act is enacted to read:

4 "[NEW MATERIAL] CREDIT--COMPENSATING TAX--MUNICIPAL
5 COMPENSATING TAX PAID.--A credit shall be allowed for each
6 reporting period against the compensating tax for an amount of
7 the municipal compensating tax equal to:

8 A. one-half percent of the value of property for
9 which the taxpayer is liable for that reporting period if the
10 rate of the municipal compensating tax in effect at the time of
11 the use was at least one-half percent; or

12 B. one-fourth percent of the value of property for
13 which the taxpayer is liable for that reporting period if the
14 rate of the municipal compensating tax in effect at the time of
15 the use was one-fourth percent. "

16 Section 23. Section 7-9-22 NMSA 1978 (being Laws 1969,
17 Chapter 144, Section 15, as amended) is amended to read:

18 "7-9-22. EXEMPTION--GROSS RECEIPTS TAX--VEHICLES.--
19 Exempted from the gross receipts tax are the receipts from
20 selling vehicles on which a tax is imposed by the Motor Vehicle
21 Excise Tax Act, [~~and on~~] vehicles subject to registration under
22 Section 66-3-16 NMSA 1978 and vehicles exempt from the motor
23 vehicle excise tax pursuant to Subsection F of Section 7-14-6
24 NMSA 1978. "

25 Section 24. Section 7-9-23 NMSA 1978 (being Laws 1969,

underscored material = new
[bracketed material] = del ete

1 Chapter 144, Section 16, as amended) is amended to read:

2 "7-9-23. EXEMPTION--COMPENSATING TAX--VEHICLES. --

3 Exempted from the compensating tax is the use of vehicles on
4 which the tax imposed by the Motor Vehicle Excise Tax Act has
5 been paid, [~~and on~~] the use of vehicles subject to registration
6 under Section 66-3-16 NMSA 1978 and the use of vehicles exempt
7 from the motor vehicle excise tax pursuant to Subsection F of
8 Section 7-14-6 NMSA 1978. "

9 Section 25. Section 7-14-4 NMSA 1978 (being Laws 1988,
10 Chapter 73, Section 14) is amended to read:

11 "7-14-4. DETERMINATION OF AMOUNT OF MOTOR VEHICLE EXCISE
12 TAX. --

13 A. The rate of the motor vehicle excise tax is
14 [~~three~~] four percent and is applied to the price paid for the
15 vehicle. If the price paid does not represent the value of the
16 vehicle in the condition that existed at the time it was
17 acquired, the tax rate shall be applied to the reasonable value
18 of the vehicle in such condition at such time. However,
19 allowances granted for vehicle trade-ins may be deducted from
20 the price paid or the reasonable value of the vehicle
21 purchased.

22 B. Notwithstanding the provisions of Subsection A
23 of this section, the minimum amount of motor vehicle excise tax
24 imposed pursuant to Subsection 7-14-3 shall be twenty dollars
25 (\$20.00). "

. 148645. 1

underscored material = new
[bracketed material] = delete

1 Section 26. Section 7-14-6 NMSA 1978 (being Laws 1988,
2 Chapter 73, Section 16, as amended) is amended to read:

3 "7-14-6. EXEMPTIONS FROM TAX. --

4 A. Persons who acquire a vehicle out of state
5 thirty or more days before establishing a domicile in this
6 state are exempt from the tax if the vehicle was acquired for
7 personal use.

8 B. Persons applying for a certificate of title for
9 a vehicle registered in another state are exempt from the tax
10 if they have previously registered and titled the vehicle in
11 New Mexico and have owned the vehicle continuously since that
12 time.

13 C. Certificates of title for all vehicles owned by
14 this state or any political subdivision are exempt from the
15 tax.

16 D. A vehicle subject to registration under Section
17 66-3-16 NMSA 1978 is exempt from the tax.

18 E. Persons who acquire vehicles for subsequent
19 lease shall be exempt from the tax if:

20 (1) the person does not use the vehicle in
21 any manner other than holding it for lease or sale or leasing
22 or selling it in the ordinary course of business;

23 (2) the lease is for a term of more than six
24 months;

25 (3) the receipts from the subsequent lease

underscored material = new
[bracketed material] = delete

1 are subject to the gross receipts tax; and

2 (4) the vehicle does not have a gross vehicle
3 weight of over twenty-six thousand pounds.

4 F. Vehicles that are manufactured to operate
5 exclusively on alternative fuel or are gasoline-electric hybrid
6 vehicles with a United States environmental protection agency
7 fuel economy rating of at least twenty-two and one-half miles
8 per gallon are eligible for a one-time exemption from the tax
9 at the time of the issuance of the original certificate of
10 title for the vehicle. For purposes of this subsection,
11 "alternative fuel" means natural gas, liquefied petroleum gas,
12 electricity, hydrogen, a fuel mixture containing not less than
13 eighty-five percent ethanol or methanol, a fuel mixture
14 containing not less than twenty percent vegetable oil or a
15 water-phased hydrocarbon fuel emulsion consisting of a
16 hydrocarbon base and water in an amount not less than twenty
17 percent by volume of the total water-phased fuel emulsion."

18 Section 27. Section 7-14A-3.1 NMSA 1978 (being Laws
19 1993, Chapter 359, Section 1) is amended to read:

20 "7-14A-3.1. IMPOSITION AND RATE--LEASED VEHICLE
21 SURCHARGE.--There is imposed a surcharge on the leasing of a
22 vehicle to another person by a person engaging in business in
23 New Mexico if the lease is subject to the leased vehicle gross
24 receipts tax. The amount of this surcharge is [~~two dollars~~
25 ~~(\$2.00)] four dollars (\$4.00) for each day [~~each~~] the vehicle~~

. 148645. 1

underscored material = new
[bracketed material] = delete

1 is leased by the person. The surcharge may be referred to as
2 the "leased vehicle surcharge". "

3 Section 28. Section 7-15A-2 NMSA 1978 (being Laws 1988,
4 Chapter 73, Section 29) is amended to read:

5 "7-15A-2. DEFINITIONS. -- As used in the Weight Distance
6 Tax Act:

7 A. "bus" means ~~[every]~~ a motor vehicle designed and
8 used for the transportation of ~~[persons]~~ a person and ~~[every]~~ a
9 motor vehicle, other than a taxicab, designed and used for the
10 transportation of ~~[persons]~~ a person for compensation;

11 B. "declared gross weight" means the declared gross
12 weight for purposes of the Motor Transportation Act;

13 C. "department" means the taxation and revenue
14 department, the secretary of taxation and revenue or ~~[any]~~ an
15 employee of that department exercising authority lawfully
16 delegated to that employee by the secretary;

17 D. "gross vehicle weight" means the weight of a
18 vehicle without load, plus the weight of ~~[any]~~ a load ~~[thereon]~~
19 upon the vehicle;

20 E. "motor vehicle" means ~~[every]~~ a vehicle ~~[which]~~
21 that is self-propelled and ~~[every]~~ a vehicle ~~[which]~~ that is
22 propelled by electric power obtained from batteries or from
23 overhead trolley wires, but not operated upon rails;

24 F. "person" means ~~[any]~~:

25 (1) an individual, estate, trust, receiver,

underscored material = new
[bracketed material] = delete

1 cooperative association, club, corporation, company, firm,
2 partnership, joint venture, syndicate or other association;
3 [~~"person" also means~~] and

4 (2) to the extent permitted by law, [~~any~~] a
5 federal, state or other governmental unit or subdivision or an
6 agency, department or instrumentality [~~thereof~~] of the federal,
7 state or other governmental unit;

8 G. "registrant" means [~~any~~] a person who has
9 registered the vehicle pursuant to the laws of this state or
10 another state;

11 H. "secretary" means the secretary of taxation and
12 revenue or the secretary's delegate;

13 I. "tax" means the weight distance tax imposed by
14 the Weight Distance Tax Act; [~~and~~]

15 J. "vehicle" means [~~every~~] a device in, upon or by
16 which [~~any~~] a person or property is or may be transported or
17 drawn upon a highway, including [~~any~~] a frame, chassis or body
18 of [~~any~~] a vehicle or motor vehicle, except [~~devices~~] a device
19 moved by human power or used exclusively upon stationary rails
20 or tracks; and

21 K. "weight distance tax identification permit"
22 means an administrative certificate that is issued by the
23 department and that identifies a specific vehicle as subject to
24 the tax imposed pursuant to the Weight Distance Tax Act."

25 Section 29. Section 7-15A-6 NMSA 1978 (being Laws 1988,

. 148645. 1

1 Chapter 73, Section 33) is amended to read:

2 "7-15A-6. TAX RATE FOR MOTOR VEHICLES OTHER THAN BUSES--
3 REDUCTION OF RATE FOR ONE-WAY HAULS. --

4 A. For on-highway operations of motor vehicles
5 other than buses, the weight distance tax shall be computed in
6 accordance with the following schedule:

7 Declared Gross Weight	Tax Rate
8 (Gross Vehicle Weight)	(Mills per Mile)
9 26,000 to 28,000	[7.97] <u>11.32</u>
10 28,001 to 30,000	[8.60] <u>12.22</u>
11 30,001 to 32,000	[9.24] <u>13.13</u>
12 32,001 to 34,000	[9.87] <u>14.02</u>
13 34,001 to 36,000	[10.51] <u>14.93</u>
14 36,001 to 38,000	[11.14] <u>15.82</u>
15 38,001 to 40,000	[12.11] <u>17.20</u>
16 40,001 to 42,000	[13.06] <u>18.55</u>
17 42,001 to 44,000	[14.01] <u>19.90</u>
18 44,001 to 46,000	[14.97] <u>21.26</u>
19 46,001 to 48,000	[15.93] <u>22.63</u>
20 48,001 to 50,000	[16.88] <u>23.98</u>
21 50,001 to 52,000	[17.84] <u>25.34</u>
22 52,001 to 54,000	[18.79] <u>26.69</u>
23 54,001 to 56,000	[19.75] <u>28.05</u>
24 56,001 to 58,000	[20.71] <u>29.42</u>
25 58,001 to 60,000	[21.66] <u>30.77</u>

. 148645. 1

underscored material = new
[bracketed material] = delete

1	60,001 to 62,000	[22.61] <u>32.12</u>
2	62,001 to 64,000	[23.58] <u>33.49</u>
3	64,001 to 66,000	[24.53] <u>34.84</u>
4	66,001 to 68,000	[25.48] <u>36.19</u>
5	68,001 to 70,000	[26.43] <u>37.54</u>
6	70,001 to 72,000	[27.40] <u>38.92</u>
7	72,001 to 74,000	[28.41] <u>40.36</u>
8	74,001 to 76,000	[29.46] <u>41.85</u>
9	76,001 to 78,000	[30.55] <u>43.39</u>
10	78,001 and over	[31.68] <u>45.00.</u>

11 B. All motor vehicles for which the tax is computed
12 under Subsection A of this section shall pay a tax [~~which~~] that
13 is two-thirds of the tax computed under Subsection A of this
14 section if:

15 (1) the motor vehicle is customarily used for
16 one-way haul;

17 (2) forty-five percent or more of the mileage
18 traveled by the motor vehicle for a registration year is
19 mileage [~~which~~] that is traveled empty of all load; and

20 (3) the registrant, owner or operator of the
21 vehicle attempting to qualify under this subsection has made a
22 sworn application to the department to be classified under this
23 subsection for a registration year and has given whatever
24 information is required by the department to determine the
25 eligibility of the vehicle to be classified under this

. 148645. 1

1 subsection and the vehicle has been so classified. "

2 Section 30. Section 7-15A-7 NMSA 1978 (being Laws 1988,
3 Chapter 73, Section 34) is amended to read:

4 "7-15A-7. TAX RATE FOR BUSES. -- For all buses, the weight
5 distance tax shall be computed in accordance with the following
6 schedule:

7 Declared Gross Weight	Tax Rate
8 (Gross Vehicle Weight)	(Mills per Mile)
9 26,000 to 28,000	[7.97] <u>11.32</u>
10 28,001 to 30,000	[8.60] <u>12.22</u>
11 30,001 to 32,000	[9.24] <u>13.13</u>
12 32,001 to 34,000	[9.87] <u>14.02</u>
13 34,001 to 36,000	[10.52] <u>14.93</u>
14 36,001 to 38,000	[11.15] <u>15.82</u>
15 38,001 to 40,000	[12.12] <u>17.20</u>
16 40,001 to 42,000	[13.07] <u>18.55</u>
17 42,001 to 44,000	[14.02] <u>19.90</u>
18 44,001 to 46,000	[14.97] <u>21.26</u>
19 46,001 to 48,000	[15.94] <u>22.63</u>
20 48,001 to 50,000	[16.89] <u>23.98</u>
21 50,001 to 52,000	[17.85] <u>25.34</u>
22 52,001 to 54,000	[18.80] <u>26.69</u>
23 54,001 and over	[19.76] <u>28.05.</u> "

24 Section 31. A new section of the Weight Distance Tax Act
25 is enacted to read:

. 148645. 1

1 " [NEW MATERIAL] WEIGHT DISTANCE TAX IDENTIFICATION

2 PERMITS--SUSPENSION AND RENEWAL. --

3 A. An operator of a motor vehicle registered in this
4 state and subject to the weight distance tax shall display a
5 weight distance tax identification permit issued for that
6 vehicle to an enforcement officer of the department of public
7 safety upon demand of that employee and when the vehicle passes
8 through a port of entry.

9 B. The department may suspend or decline to renew a
10 weight distance tax identification permit for a motor vehicle
11 if the owner or operator of the vehicle does not comply with
12 the provisions of the Weight Distance Tax Act. "

13 Section 32. A new section of the Weight Distance Tax Act
14 is enacted to read:

15 " [NEW MATERIAL] WEIGHT DISTANCE TAX IDENTIFICATION PERMIT
16 ADMINISTRATIVE FEE. --

17 A. A person that obtains a weight distance tax
18 identification permit shall pay an administrative fee to the
19 department for the reasonable and necessary expense that the
20 department incurs for processing and issuing a weight distance
21 tax identification permit. The fee shall be paid in addition
22 to a weight distance tax, special fuel excise tax and other use
23 fee imposed for the use of public highways of this state. The
24 department shall determine the amount of the fee pursuant to
25 regulation. The fee shall not exceed ten dollars (\$10.00).

. 148645. 1

underscored material = new
[bracketed material] = delete

1 B. The department shall deposit to the weight
2 distance tax identification permit administration fund all
3 proceeds from administrative fees collected by the department
4 pursuant to this section. "

5 Section 33. A new section of the Weight Distance Tax Act
6 is enacted to read:

7 "[NEW MATERIAL] WEIGHT DISTANCE TAX IDENTIFICATION PERMIT
8 ADMINISTRATION FUND. --The "weight distance tax identification
9 permit administration fund" is created in the state treasury.
10 The purpose of the fund is to provide an account from which the
11 department may pay the costs of issuing and administering
12 weight distance tax identification permits. The fund shall
13 consist of administrative fees collected pursuant to the Weight
14 Distance Tax Act. Money in the fund shall be appropriated to
15 the department to pay for the cost of issuing and administering
16 weight distance tax identification permits. Disbursements from
17 the fund shall be by warrant of the secretary of finance and
18 administration upon vouchers signed by the secretary or the
19 secretary's authorized representative. Money in the fund shall
20 not revert to the general fund at the end of a fiscal year. "

21 Section 34. Section 7-16A-3 NMSA 1978 (being Laws 1992,
22 Chapter 51, Section 3, as amended) is amended to read:

23 "7-16A-3. IMPOSITION AND RATE OF TAX--DENOMINATION AS
24 SPECIAL FUEL EXCISE TAX. --

25 A. For the privilege of receiving or using special

underscored material = new
[bracketed material] = delete

1 fuel in this state, there is imposed an excise tax at a rate
2 provided in Subsection B of this section on each gallon of
3 special fuel received in New Mexico.

4 B. The tax imposed by Subsection A of this section
5 shall be [~~eighteen cents (\$.18)~~] twenty-three cents (\$.23) per
6 gallon of special fuel received or used in New Mexico.

7 C. The tax imposed by this section may be called
8 the "special fuel excise tax". "

9 Section 35. Section 7-17-5 NMSA 1978 (being Laws 1993,
10 Chapter 65, Section 8, as amended) is amended to read:

11 "7-17-5. IMPOSITION AND RATE OF LIQUOR EXCISE TAX. --

12 There is imposed on [~~any~~] a wholesaler who sells alcoholic
13 beverages on which the tax imposed by this section has not been
14 paid an excise tax, to be referred to as the "liquor excise
15 tax", at the following rates on alcoholic beverages sold:

16 A. on spirituous liquors, [~~one dollar sixty cents~~
17 ~~(\$1.60)~~] three dollars eighty-six cents (\$3.86) per liter;

18 B. on beer, except as provided in Subsection E of
19 this section, [~~forty-one cents (\$.41)~~] one dollar forty-eight
20 cents (\$1.48) per gallon;

21 C. on wine, except as provided in Subsections D and
22 F of this section, [~~forty-five cents (\$.45)~~] one dollar
23 thirteen cents (\$1.13) per liter;

24 D. on fortified wine, one dollar fifty cents
25 (\$1.50) per liter;

. 148645. 1

underscored material = new
[bracketed material] = delete

1 E. on beer manufactured or produced by a
2 microbrewer and sold in this state, provided that proof is
3 furnished to the department that the beer was manufactured or
4 produced by a microbrewer, eight cents (\$.08) per gallon;

5 F. on wine manufactured or produced by a small
6 winer or winegrower and sold in this state, provided that proof
7 is furnished to the department that the wine was manufactured
8 or produced by a small winer or winegrower, ten cents (\$.10)
9 per liter on the first eighty thousand liters sold and twenty
10 cents (\$.20) per liter on all liters sold over eighty thousand
11 liters but less than five hundred sixty thousand liters; and

12 G. on cider, forty-one cents (\$.41) per gallon. "

13 Section 36. Section 7-19-12 NMSA 1978 (being Laws 1979,
14 Chapter 397, Section 3, as amended) is amended to read:

15 "7-19-12. AUTHORIZATION TO IMPOSE SUPPLEMENTAL MUNICIPAL
16 GROSS RECEIPTS TAX AND SUPPLEMENTAL MUNICIPAL COMPENSATING
17 TAX--AUTHORIZATION FOR ISSUANCE OF SUPPLEMENTAL MUNICIPAL GROSS
18 RECEIPTS BONDS--ELECTION REQUIRED. --

19 A. The majority of the members elected to the
20 governing body of a municipality may enact an ordinance
21 imposing an excise tax on any person engaging in business in
22 the municipality for the privilege of engaging in business in
23 the municipality. This tax is to be referred to as the
24 "supplemental municipal gross receipts tax". The rate of the
25 tax shall not exceed one percent of the gross receipts of the

. 148645. 1

underscored material = new
[bracketed material] = delete

1 person engaging in business and shall be imposed in one-fourth
2 percent increments if less than one percent.

3 B. An ordinance imposing a tax authorized by
4 Subsection A of this section shall also impose a tax for the
5 privilege of using property in the municipality if the use or
6 service is subject to the compensating tax. This tax shall be
7 referred to as the "supplemental municipal compensating tax".
8 The rate of the tax imposed pursuant to this subsection shall
9 be the same as the rate of tax imposed pursuant to Subsection A
10 of this section. If, at the time this 2003 act becomes
11 effective, a municipality has in effect any amount of
12 supplemental municipal gross receipts tax, a supplemental
13 municipal compensating tax is hereby imposed at the same rate,
14 effective on the effective date of this 2003 act.

15 ~~[B.]~~ C. The governing body of a municipality
16 enacting an ordinance imposing the tax authorized in
17 ~~[Subsection A]~~ Subsections A and B of this section shall submit
18 the question of imposing such ~~[tax]~~ taxes and the question of
19 the issuance of supplemental municipal gross receipts bonds in
20 an amount not to exceed nine million dollars (\$9,000,000), for
21 which the revenue from the supplemental municipal gross
22 receipts tax and supplemental municipal compensating tax is
23 dedicated, to the qualified electors of the municipality at a
24 regular or special election.

25 ~~[C.]~~ D. The questions referred to in Subsection ~~[B]~~

underscored material = new
[bracketed material] = delete

1 C of this section shall be submitted to a vote of the qualified
2 electors of the municipality as two separate ballot questions,
3 which shall be substantially in the following form:

4 (1) "Shall the municipality be authorized to
5 issue supplemental municipal gross receipts bonds in an amount
6 of not exceeding _____ dollars for the purpose
7 of constructing and equipping and otherwise acquiring a
8 municipal water supply system?

9 For _____ Against _____"; and

10 (2) "Shall the municipality impose an excise
11 tax for the privilege of engaging in business in the
12 municipality which shall be known as the "supplemental
13 municipal gross receipts tax" and an excise tax on the use of
14 property in the municipality which shall be known as the
15 "supplemental municipal compensating tax", both of which shall
16 be imposed at a rate of _____ percent [~~of the gross~~
17 ~~receipts of the person engaging in business~~], the proceeds of
18 which are dedicated to the payment of supplemental municipal
19 gross receipts bonds?

20 For _____ Against _____".

21 [~~D.~~] E. Only those voters who are registered
22 electors who reside within the municipality shall be permitted
23 to vote on these two questions. The procedures for conducting
24 the election shall be substantially the same as the applicable
25 provisions in Sections 3-30-1, 3-30-6 and 3-30-7 NMSA 1978

underscored material = new
[bracketed material] = delete

1 relating to municipal debt.

2 [E-] F. If at an election called pursuant to this
3 section a majority of the voters voting on each of the two
4 questions vote in the affirmative on each [~~such~~] question,
5 [~~then~~] the ordinance imposing the supplemental municipal gross
6 receipts tax and supplemental municipal compensating tax shall
7 be approved. If at such election a majority of the voters
8 voting on such questions fail to approve any of the questions,
9 [~~then~~] the ordinance imposing the [~~tax~~] taxes shall be
10 disapproved and the questions required to be submitted by
11 Subsection [~~B~~] C of this section shall not be submitted to the
12 voters for a period of one year from the date of the election.

13 [~~F-~~] G. Any ordinance enacted under the provisions
14 of this section shall include an effective date of either July
15 1 or January 1, whichever date occurs first after the
16 expiration of at least [~~five~~] three months from the date of the
17 election. A certified copy of any ordinance imposing a
18 supplemental municipal gross receipts tax and supplemental
19 municipal compensating tax shall be mailed to the [~~division~~]
20 department within five days after the ordinance is adopted by
21 the approval by the electorate. Any ordinance repealing the
22 imposition of a tax under the provisions of the Supplemental
23 Municipal Gross Receipts Tax Act shall become effective on
24 either July 1 or January 1, after the expiration of at least
25 [~~five~~] three months from the date the ordinance is repealed by

. 148645. 1

underscored material = new
[bracketed material] = delete

1 the governing body.

2 [G-] H. Nothing in this section is intended to or
3 does alter the effectiveness or validity of any actions taken
4 in accordance with Subsection G of Section 80 of Chapter 20 of
5 Laws 1986. "

6 Section 37. Section 7-19-13 NMSA 1978 (being Laws 1979,
7 Chapter 397, Section 4) is amended to read:

8 "7-19-13. ORDINANCE [~~MUST~~] SHALL CONFORM TO CERTAIN
9 PROVISIONS OF THE GROSS RECEIPTS AND COMPENSATING TAX ACT AND
10 REQUIREMENTS OF THE [~~DIVISION~~] DEPARTMENT. --

11 A. Any ordinance imposing a supplemental municipal
12 gross receipts tax and supplemental municipal compensating tax
13 shall adopt by reference the same definitions and the same
14 provisions relating to exemptions and deductions as are
15 contained in the Gross Receipts and Compensating Tax Act then
16 in effect and as it may be amended from time to time.

17 B. The governing body of any municipality imposing
18 or increasing the supplemental municipal gross receipts tax
19 [~~must~~] and supplemental municipal compensating tax shall adopt
20 the language of the model ordinance furnished to the
21 municipality by the [~~division~~] department for the portion of
22 the ordinance relating to the tax. "

23 Section 38. Section 7-19-15 NMSA 1978 (being Laws 1979,
24 Chapter 397, Section 6, as amended) is amended to read:

25 "7-19-15. COLLECTION BY DEPARTMENT-- TRANSFER OF

. 148645. 1

underscored material = new
[bracketed material] = delete

1 PROCEEDS-- DEDUCTIONS. --

2 A. The department shall collect the supplemental
3 municipal gross receipts tax in the same manner and at the same
4 time it collects the state gross receipts tax. The department
5 shall collect the supplemental municipal compensating tax in
6 the same manner and at the same time it collects the
7 compensating tax.

8 B. The department shall withhold an administrative
9 fee pursuant to Section [~~1 of this 1997 act~~] 7-1-6.41 NMSA
10 1978. The department shall transfer to each municipality for
11 which it is collecting a supplemental municipal gross receipts
12 tax the amount of the tax collected less the administrative fee
13 withheld and less any disbursements for tax credits, refunds
14 and the payment of interest applicable to the supplemental
15 municipal gross receipts tax. The department shall transfer to
16 each municipality for which it is collecting a supplemental
17 municipal compensating tax the amount of the tax collected less
18 any disbursements for tax credits, refunds and payment of
19 interest applicable to the supplemental municipal compensating
20 tax. Transfer of the [~~tax~~] taxes to a municipality shall be
21 made within the month following the month in which the [~~tax is~~]
22 taxes are collected. "

23 Section 39. Section 7-19-16 NMSA 1978 (being Laws 1979,
24 Chapter 397, Section 7) is amended to read:

25 "7-19-16. INTERPRETATION OF ACT--ADMINISTRATION AND

. 148645. 1

underscored material = new
[bracketed material] = delete

1 ENFORCEMENT OF ~~[TAX]~~ TAXES. --

2 A. The ~~[division]~~ department shall interpret the
3 provisions of the Supplemental Municipal Gross Receipts Tax
4 Act.

5 B. The ~~[division]~~ department shall administer and
6 enforce the collection of the supplemental municipal gross
7 receipts tax and the supplemental municipal compensating tax,
8 and the Tax Administration Act applies to the administration
9 and enforcement of the ~~[tax]~~ taxes. "

10 Section 40. Section 7-19-18 NMSA 1978 (being Laws 1979,
11 Chapter 397, Section 9, as amended) is amended to read:

12 "7-19-18. SUPPLEMENTAL MUNICIPAL GROSS RECEIPTS TAX--
13 SUPPLEMENTAL MUNICIPAL COMPENSATING TAX--USE OF PROCEEDS--
14 RESTRICTION. --

15 A. The proceeds from the supplemental municipal
16 gross receipts tax and supplemental municipal compensating tax
17 shall be deposited in a special improvement account of the
18 municipality and shall be used only for:

19 (1) the payment of the principal of, interest
20 on, any prior redemption premiums due in connection with and
21 other expenses related to the supplemental municipal gross
22 receipts bonds issued pursuant to the Supplemental Municipal
23 Gross Receipts Tax Act;

24 (2) the funding of any reserves and other
25 accounts in connection with such bonds;

underscored material = new
[bracketed material] = delete

1 (3) refunding bonds; and
2 (4) to the extent not needed for those
3 purposes, the improvement of the municipality's water system.

4 B. When any issue of supplemental municipal gross
5 receipts bonds is fully paid, the supplemental municipal gross
6 receipts tax and supplemental municipal compensating tax shall
7 cease to be imposed for that issue, but may continue to be
8 imposed for bonds enacted and approved pursuant to Section
9 7-19-12 NMSA 1978 and thereafter issued, or for refunding bonds
10 issued pursuant to Section [~~4 of this 1997 act~~] 7-19-17.1 NMSA
11 1978. Any money remaining in a special improvement account
12 after the obligations for supplemental municipal gross receipts
13 bonds and refunding bonds are fully paid may be transferred to
14 any other fund of the municipality."

15 Section 41. A new section of the Municipal Local Option
16 Gross Receipts Taxes Act is enacted to read:

17 "[NEW MATERIAL] MUNICIPAL LOCAL OPTION COMPENSATING
18 TAXES. --

19 A. An ordinance imposing, increasing or repealing a
20 local option gross receipts tax authorized by the Municipal
21 Local Option Gross Receipts Taxes Act shall also impose,
22 increase or repeal a tax for the privilege of using property in
23 the municipality if the use of the property is subject to the
24 compensating tax. The rate of the municipal tax on use
25 imposed, increased or repealed shall be the same as the rate of
. 148645. 1

underscored material = new
[bracketed material] = delete

1 the local option gross receipts tax imposed, increased or
2 repealed.

3 B. If, at the time this 2003 act becomes effective,
4 a municipality has in effect a local option gross receipts tax
5 authorized by the Municipal Local Option Gross Receipts Taxes
6 Act, a municipal tax on use is hereby imposed at the same rate,
7 effective on the effective date of this 2003 act.

8 C. The municipal taxes on use authorized or imposed
9 by this section may be referred to generally as "municipal
10 local option compensating taxes". Each tax may be referred to
11 individually by reference to the local option gross receipts
12 tax with which it is associated. "

13 Section 42. Section 7-19D-7 NMSA 1978 (being Laws 1993,
14 Chapter 346, Section 7, as amended) is amended to read:

15 "7-19D-7. COLLECTION BY DEPARTMENT--TRANSFER OF
16 PROCEEDS--DEDUCTIONS.--

17 A. The department shall collect each local option
18 gross receipts tax imposed pursuant to the provisions of the
19 Municipal Local Option Gross Receipts Taxes Act in the same
20 manner and at the same time it collects the state gross
21 receipts tax. The department shall collect the municipal local
22 option compensating taxes imposed pursuant to the provisions of
23 the Municipal Local Option Gross Receipts Taxes Act in the same
24 manner and at the same time it collects the compensating tax.

25 B. Except as provided in Subsection C of this

underscored material = new
[bracketed material] = delete

1 section, the department shall withhold an administrative fee
2 pursuant to Section [~~1 of this 1997 act~~] 7-1-6.41 NMSA 1978.

3 The department shall transfer to each municipality for which it
4 is collecting a local option gross receipts tax pursuant to the
5 provisions of the Municipal Local Option Gross Receipts Taxes
6 Act the amount of each tax collected for that municipality,
7 less the administrative fee withheld and less any disbursements
8 for tax credits, refunds and the payment of interest applicable
9 to the tax. The department shall transfer to each municipality
10 for which it collects a municipal local option compensating tax
11 pursuant to the provisions of the Municipal Local Option Gross
12 Receipts Taxes Act the amount of each tax collected for that
13 municipality, less any disbursements for tax credits, refunds
14 and payment of interest applicable to the tax. The transfer to
15 the municipality shall be made within the month following the
16 month in which the tax is collected.

17 C. With respect to the municipal gross receipts tax
18 imposed by a municipality pursuant to Section 7-19D-9 NMSA
19 1978, the department shall withhold the administrative fee
20 pursuant to Section [~~1 of this 1997 act~~] 7-1-6.41 NMSA 1978
21 only on that portion of the municipal gross receipts tax
22 arising from a municipal gross receipts tax rate in excess of
23 one-half [~~of one~~] percent."

24 Section 43. A new section of the Local Hospital Gross
25 Receipts Tax Act is enacted to read:

. 148645. 1

underscored material = new
[bracketed material] = delete

1 " ~~[NEW MATERIAL]~~ MATCHING LOCAL HOSPITAL COMPENSATING
2 TAX. -- An ordinance imposing, increasing or repealing a local
3 hospital gross receipts tax authorized by the Local Hospital
4 Gross Receipts Tax Act shall also impose, increase or repeal a
5 tax for the privilege of using property in the county if the
6 use of the property is subject to the compensating tax. This
7 tax may be referred to as the "local hospital compensating
8 tax". The rate of the local hospital compensating tax imposed,
9 increased or repealed shall be the same as the rate of local
10 hospital gross receipts tax imposed, increased or repealed.
11 If, at the time this 2003 act becomes effective, a county has
12 in effect a local hospital gross receipts tax, a local hospital
13 compensating tax is hereby imposed at the same rate, effective
14 on the effective date of this 2003 act. "

15 Section 44. Section 7-20C-6 NMSA 1978 (being Laws 1991,
16 Chapter 176, Section 6, as amended) is amended to read:

17 "7-20C-6. COLLECTION BY DEPARTMENT-- TRANSFER OF
18 PROCEEDS-- DEDUCTIONS. --

19 A. The department shall collect the local hospital
20 gross receipts tax in the same manner and at the same time it
21 collects the state gross receipts tax. The department shall
22 collect the local hospital compensating tax in the same manner
23 and at the same time it collects the compensating tax.

24 B. The department shall withhold an administrative
25 fee pursuant to Section 7-1-6.41 NMSA 1978. Except as provided

. 148645. 1

underscored material = new
[bracketed material] = delete

1 in Subsection C of this section, the department shall transfer
2 to each county for which it is collecting such tax the amount
3 of the tax collected less the administrative fee withheld and
4 less any disbursements for tax credits, refunds and the payment
5 of interest applicable to the tax. The department shall
6 transfer to each county for which it is collecting the local
7 hospital compensating tax the amount of the tax collected less
8 any disbursements for tax credits, refunds and the payment of
9 interest applicable to the tax. Transfer [~~of the tax~~] to a
10 county shall be made within the month following the month in
11 which the tax is collected.

12 C. In lieu of a transfer pursuant to Subsection B
13 of this section to a class B county with a population, as shown
14 in the last federal decennial census, of more than twenty-five
15 thousand and a net taxable value in the 2002 property tax year
16 of less than two hundred million dollars (\$200,000,000), the
17 department shall make the transfer to the largest municipality
18 in that county for the purpose of maintaining and operating a
19 hospital. "

20 Section 45. A new section of the County Local Option
21 Gross Receipts Taxes Act is enacted to read:

22 "[NEW MATERIAL] MATCHING LOCAL OPTION COMPENSATING TAX. --

23 A. An ordinance imposing, increasing or repealing a
24 local option gross receipts tax authorized by the County Local
25 Option Gross Receipts Taxes Act to be imposed on a county-wide

. 148645. 1

underscored material = new
[bracketed material] = delete

1 basis shall also impose, increase or repeal a tax for the
2 privilege of using property in the county if the use of the
3 property is subject to the compensating tax. The rate of
4 county tax on use imposed, increased or repealed shall be the
5 same as the rate of the local option gross receipts tax
6 imposed, increased or repealed.

7 B. An ordinance imposing, increasing or repealing a
8 local option gross receipts tax authorized by the County Local
9 Option Gross Receipts Taxes Act to be imposed only in the
10 county area shall also impose, increase or repeal a tax for the
11 privilege of using property in the county area if the use of
12 the property is subject to the compensating tax and if the
13 department is not prohibited pursuant to Section 7-9-7.1 NMSA
14 1978 from collecting the compensating tax on the use. The rate
15 of county area tax on use imposed, increased or repealed shall
16 be the same as the rate of the local option gross receipts tax
17 imposed, increased or repealed.

18 C. If, at the time this 2003 act becomes effective,
19 a county has in effect a local option gross receipts tax
20 authorized to be imposed on a county-wide basis, a county tax
21 on use of property in the county is hereby imposed at the same
22 rate, effective on the effective date of this 2003 act. If, at
23 the time this 2003 act becomes effective, a county has in
24 effect a local option gross receipts tax authorized to be
25 imposed only in the county area, a county tax on use of

. 148645. 1

underscored material = new
[bracketed material] = delete

1 property in the county area is hereby imposed at the same rate,
2 effective on the effective date of this 2003 act.

3 D. The county taxes on use authorized or imposed by
4 this section may be referred to generally as "county local
5 option compensating taxes". Each tax may be referred to
6 individually by reference to the local option gross receipts
7 tax with which it is associated. "

8 Section 46. Section 7-20E-7 NMSA 1978 (being Laws 1993,
9 Chapter 354, Section 7, as amended) is amended to read:

10 "7-20E-7. COLLECTION BY DEPARTMENT--TRANSFER OF
11 PROCEEDS--DEDUCTIONS. --

12 A. The department shall collect each county local
13 option gross receipts tax imposed pursuant to the provisions of
14 the County Local Option Gross Receipts Taxes Act in the same
15 manner and at the same time it collects the state gross
16 receipts tax. The department shall collect each county local
17 option compensating tax imposed pursuant to the provisions of
18 the County Local Option Gross Receipts Taxes Act in the same
19 manner and at the same time it collects the compensating tax.

20 B. The department shall withhold an administrative
21 fee pursuant to Section [~~1 of this 1997 act~~] 7-1-6.41 NMSA
22 1978. The department shall transfer to each county for which
23 it is collecting a county local option gross receipts tax
24 pursuant to the provisions of the County Local Option Gross
25 Receipts Taxes Act the amount of each county local option gross

. 148645. 1

underscored material = new
[bracketed material] = delete

1 receipts tax collected for that county, less the administrative
2 fee withheld and less any disbursements for tax credits,
3 refunds and the payment of interest applicable to the tax. The
4 department shall transfer to each county for which it is
5 collecting a county local option compensating tax pursuant to
6 the provisions of the County Local Option Gross Receipts Taxes
7 Act the amount of each local option compensating tax collected
8 for that county, less any disbursements for tax credits,
9 refunds and the payment of interest applicable to the tax. The
10 transfer to the county shall be made within the month following
11 the month in which the tax is collected. "

12 Section 47. Section 7-20F-3 NMSA 1978 (being Laws 1993,
13 Chapter 303, Section 3, as amended) is amended to read:

14 "7-20F-3. COUNTY CORRECTIONAL FACILITY GROSS RECEIPTS
15 TAX--COUNTY CORRECTIONAL FACILITY COMPENSATING TAX--AUTHORITY
16 TO IMPOSE--RATE--ORDINANCE REQUIREMENTS--REFERENDUM --

17 A. The majority of the members elected to the
18 county board may enact an ordinance imposing on a county-wide
19 basis an excise tax not to exceed a rate of one-eighth [~~of one~~]
20 percent of the gross receipts of any person engaging in
21 business in the county, including all municipalities within the
22 county; provided that the voters of:

23 (1) a class A county described in Paragraph
24 (1) of Subsection A of Section 7-20F-2 NMSA 1978 or a class B
25 county described in Paragraph (2) of Subsection A of Section

. 148645. 1

underscored material = new
[bracketed material] = delete

1 7-20F-2 NMSA 1978 have approved the issuance of general
2 obligation bonds of the county sufficient to pay at least
3 one-half of the costs of the construction and equipping of the
4 new county judicial-correctional facility for which the county
5 correctional facility gross receipts tax revenue is dedicated;
6 or

7 (2) a class B county described in Paragraph
8 (3) of Subsection A of Section 7-20F-2 NMSA 1978 have approved
9 the issuance of bonds by the New Mexico finance authority
10 sufficient to pay at least one-half of the costs of designing,
11 constructing, equipping, furnishing and otherwise improving the
12 new county correctional facility for which the county
13 correctional facility gross receipts tax revenue is dedicated.

14 B. The tax imposed pursuant to Subsection A of this
15 section may be referred to as the "county correctional facility
16 gross receipts tax". The county correctional facility gross
17 receipts tax shall be imposed only once for the period
18 necessary for payment of the principal and interest on revenue
19 bonds issued pursuant to the County Correctional Facility Gross
20 Receipts Tax Act, but the period shall not exceed ten years
21 from the effective date of the ordinance imposing the tax.

22 C. An ordinance imposing a county correctional
23 facility gross receipts tax shall also impose a tax on the use
24 of property in the county if the use of the property is subject
25 to the compensating tax. This tax may be referred to as the

. 148645. 1

underscored material = new
[bracketed material] = delete

1 "county correctional facility compensating tax". The rate of
2 the county correctional facility compensating tax imposed shall
3 be the same as the rate of county correctional facility gross
4 receipts tax imposed. If, at the time this 2003 act becomes
5 effective, a county has in effect a county correctional
6 facility gross receipts tax, a county correctional facility
7 compensating tax is hereby imposed at the same rate, effective
8 on the effective date of this 2003 act.

9 ~~[E.]~~ D. Any ordinance imposing a county
10 correctional facility gross receipts tax and county
11 correctional facility compensating tax pursuant to this section
12 shall:

13 (1) impose the tax in any number of
14 increments of one-sixteenth ~~[of one]~~ percent not to exceed an
15 aggregate amount of one-eighth ~~[of one]~~ percent; provided that
16 the rate of the two taxes is the same;

17 (2) specify that the imposition of the tax
18 will begin on either July 1 or January 1, whichever occurs
19 first after the expiration of at least three months from the
20 date that the department is notified personally or by mail by
21 the county that imposition of the county correctional facility
22 gross receipts tax and county correctional facility
23 compensating tax has been approved by a majority of the
24 registered voters in the county voting on the question; and

25 (3) dedicate the revenue from the county

underscored material = new
[bracketed material] = delete

1 correctional facility gross receipts tax and county
2 correctional facility compensating tax for the purpose of
3 constructing, purchasing, furnishing, equipping,
4 rehabilitating, expanding or improving a judicial-correctional
5 or a county correctional facility or the grounds of a judicial-
6 correctional or county correctional facility, including [~~but~~
7 ~~not limited to~~] acquiring and improving parking lots,
8 landscaping or any combination of the foregoing or to payment
9 of principal and interest on revenue bonds or refunding bonds
10 issued pursuant to the provisions of the County Correctional
11 Facility Gross Receipts Tax Act.

12 [~~D.~~] E. An ordinance imposing a county correctional
13 facility gross receipts tax and county correctional facility
14 compensating tax pursuant to this section shall not become
15 effective until after an election is held and a simple majority
16 of the qualified electors of the county voting in the election
17 votes in favor of imposing the tax.

18 [~~E.~~] F. The [~~governing body~~] county board shall
19 adopt a resolution calling for an election within seventy-five
20 days of the date the ordinance is adopted on the question of
21 imposing the [~~tax~~] taxes and:

22 (1) in a class A county described in
23 Paragraph (1) of Subsection A of Section 7-20F-2 NMSA 1978 or a
24 class B county described in Paragraph (2) of Subsection A of
25 Section 7-20F-2 NMSA 1978, if a property tax at a rate

. 148645. 1

underscored material = new
[bracketed material] = delete

1 necessary to comply with the provisions of Subsection A of this
2 section has not been approved by the voters of the county, the
3 question submitted to the voters shall be the question of
4 imposing a county correctional facility gross receipts tax, a
5 county correctional facility compensating tax and a property
6 tax at a rate necessary for the issuance of general obligation
7 bonds of the county sufficient to comply with the provisions of
8 the County Correctional Facility Gross Receipts Tax Act; or

9 (2) in a class B county described in
10 Paragraph (3) of Subsection A of Section 7-20F-2 NMSA 1978, the
11 question to be submitted to the voters is "Shall a county
12 correctional facility gross receipts tax and a county
13 correctional facility compensating tax be imposed to repay
14 bonds that will be issued by the New Mexico finance authority
15 in an amount sufficient to pay at least one-half of the costs
16 of designing, constructing, equipping, furnishing and otherwise
17 improving the new county correctional facility?".

18 [~~F.~~] G. The question shall be submitted to the
19 voters at any general election or special election called for
20 that purpose by the county board.

21 [~~G.~~] H. The election upon the question shall be
22 called, held, conducted and canvassed in substantially the same
23 manner as may be provided by law for general elections.

24 [~~H.~~] I. If the question of imposing the county
25 correctional facility gross receipts tax and a property tax, if

underscored material = new
[bracketed material] = delete

1 the question includes a property tax, fails, the board shall
2 not again propose imposition of a county correctional facility
3 gross receipts tax for a period of one year after the election.

4 ~~[I.]~~ J. Revenue produced by the imposition of a
5 county correctional facility gross receipts tax and a county
6 correctional facility compensating tax that is in excess of the
7 annual principal and interest due on bonds secured by a pledge
8 of the county correctional facility gross receipts tax and the
9 county correctional facility compensating tax may be
10 accumulated in a debt service reserve account until an amount
11 equal to the maximum amount permitted pursuant to the
12 provisions of the United States treasury regulations is
13 accumulated in the debt service reserve account. After the
14 debt service reserve account requirements have been met, the
15 excess revenue shall be accumulated in an extraordinary
16 mandatory redemption fund and annually used to redeem the bonds
17 prior to their stated maturity date.

18 ~~[J.]~~ K. When all outstanding bonds have been paid,
19 whether from the debt service reserve, the redemption fund or
20 maturity, the ordinance shall be repealed if the ~~[county~~
21 ~~correctional facility gross receipts tax]~~ revenue from the
22 county correctional facility gross receipts tax and county
23 correctional facility compensating tax is no longer required
24 for the purposes for which it may be used pursuant to the
25 provisions of the County Correctional Facility Gross Receipts

. 148645. 1

underscored material = new
[bracketed material] = delete

1 Tax Act.

2 [K-] L. The repeal of an ordinance imposing a
3 county correctional facility gross receipts tax and a county
4 correctional facility compensating tax shall state that the
5 repeal shall be effective on January 1 or July 1, whichever
6 occurs first following the date the department is notified
7 personally or by mail by the county of the repeal. "

8 Section 48. Section 7-20F-5 NMSA 1978 (being Laws 1993,
9 Chapter 303, Section 5) is amended to read:

10 "7-20F-5. COLLECTION BY DEPARTMENT--TRANSFER OF
11 PROCEEDS--DEDUCTIONS. --

12 A. The department shall collect the county
13 correctional facility gross receipts tax in the same manner and
14 at the same time it collects the state gross receipts tax. The
15 department shall collect the county correctional facility
16 compensating tax in the same manner and at the same time it
17 collects the compensating tax.

18 B. The department shall remit to each county for
19 which it is collecting a county correctional facility gross
20 receipts tax and a county correctional facility compensating
21 tax the amount of the [~~tax~~] taxes collected, less any
22 disbursement for tax credits, refunds and the payment of
23 interest applicable to the [~~county correctional facility gross~~
24 ~~receipts tax~~] taxes. Transfer [~~of the tax~~] to a county shall
25 be made within the month following the month in which the [~~tax~~

underscored material = new
[bracketed material] = delete

1 is] taxes are collected. "

2 Section 49. Section 7-20F-7 NMSA 1978 (being Laws 1993,
3 Chapter 303, Section 7) is amended to read:

4 "7-20F-7. REVENUE BONDS--AUTHORITY TO ISSUE--ORDINANCE
5 AUTHORIZING ISSUE--PLEDGE OF REVENUE. --

6 A. In addition to any other law authorizing a
7 county to issue revenue bonds, a county may issue revenue bonds
8 pursuant to the County Correctional Facility Gross Receipts Tax
9 Act for the purposes specified in that act. Revenue bonds
10 issued pursuant to the County Correctional Facility Gross
11 Receipts Tax Act may be referred to as "county correctional
12 facility gross receipts tax revenue bonds".

13 B. A county board, by majority vote, may adopt an
14 ordinance providing for issuance of revenue bonds pursuant to
15 the provisions of the County Correctional Facility Gross
16 Receipts Tax Act, the principal and interest of which shall be
17 paid from the revenue derived by the county from the county
18 correctional facility gross receipts tax, the county
19 correctional facility compensating tax and any other revenue
20 that the county may dedicate to the payment of the revenue
21 bonds.

22 C. Revenue bonds or refunding revenue bonds issued
23 as authorized pursuant to the County Correctional Facility
24 Gross Receipts Tax Act are:

25 (1) not general obligations of the county;

underscored material = new
[bracketed material] = delete

1 and

2 (2) collectible only from the county
3 correctional facility gross receipts tax, the county
4 correctional facility compensating tax and, if authorized,
5 other properly pledged revenues, and each bond shall be payable
6 solely from the properly pledged revenues and the bondholders
7 shall not look to any other county fund for the payment of the
8 interest and principal of the bonds. "

9 Section 50. Section 60-2A-23 NMSA 1978 (being Laws 1980,
10 Chapter 90, Section 23, as amended) is amended to read:

11 "60-2A-23. [~~PRIVILEGE TAX~~] REGULATORY FEES ON
12 PROMOTIONS. --

13 A. In addition to any other taxes or fees provided
14 by law, there is imposed upon every promoter for the privilege
15 of promoting a professional [~~contests~~] contest a [~~tax at the~~
16 ~~rate of~~] regulatory fee in an amount determined pursuant to the
17 rules of the commission to be sufficient to cover the costs of
18 regulating the contest; provided that the fee may not exceed
19 four percent of the total gross receipts of any professional
20 contest conducted live in New Mexico.

21 B. The commission shall adopt rules and regulations
22 for the administration, collection and enforcement of the [~~tax~~]
23 fee imposed [~~in~~] pursuant to this section.

24 C. As used in this section, "total gross receipts
25 of any professional contest" includes:

. 148645. 1

underscored material = new
[bracketed material] = delete

1 (1) the gross price charged for the sale,
2 lease or other exploitation of broadcasting, television or
3 motion picture rights of ~~[such]~~ the professional contest
4 without any deductions for commissions, brokerage fees,
5 distribution fees, advertising or other expenses or charges;

6 (2) the face value of all tickets sold and
7 complimentary tickets issued; and

8 (3) any sums received as consideration for
9 holding a professional contest at a particular location. "

10 Section 51. Section 60-2A-24 NMSA 1978 (being Laws 1980,
11 Chapter 90, Section 24) is amended to read:

12 "60-2A-24. ATHLETIC COMMISSION FUND. --The proceeds of
13 the ~~[privilege tax]~~ regulatory fee on promotions and of the
14 ~~[privilege tax]~~ supervisory fee on closed-circuit television or
15 motion pictures, together with any license fees or other fees
16 authorized ~~[under]~~ pursuant to the Professional Athletic
17 Competition Act, shall be deposited with the state treasurer to
18 the credit of the "athletic commission fund", which is hereby
19 created. Expenditures from the athletic commission fund shall
20 only be made on vouchers issued and signed by the person
21 designated by the commission upon warrants drawn by the
22 department of finance and administration in accordance with the
23 budget approved by the department of finance and
24 administration. "

25 Section 52. Section 60-2A-25 NMSA 1978 (being Laws 1980,

underscored material = new
[bracketed material] = delete

1 Chapter 90, Section 25) is amended to read:

2 "60-2A-25. TIME OF PAYMENT OF [~~PRIVILEGE TAX~~] REGULATORY
3 FEE. - -

4 A. Any person upon whom the [~~privilege tax~~]
5 regulatory fee is imposed [~~by~~] pursuant to Section [~~23 of the~~
6 ~~Professional Athletic Competition Act~~] 60-2A-23 NMSA 1978
7 shall, within seventy-two hours after the completion of any
8 professional contest for which an admission fee is charged and
9 received or a contribution is requested and received, furnish
10 to the commission a written report on forms prescribed by the
11 commission showing:

12 (1) the number of tickets sold and issued or
13 sold or issued for [~~such~~] the professional contest;

14 (2) the amount of the gross receipts or value
15 thereof;

16 (3) the amount of gross receipts derived from
17 the sale, lease or other exploitation of broadcasting, motion
18 picture or television rights of [~~such~~] the professional
19 contest, [~~and~~] without any deductions for commissions,
20 brokerage fees, distribution fees, advertising or any other
21 expenses or charges; and

22 (4) such other matters as the commission may
23 prescribe.

24 B. The commission or any of its authorized
25 employees may inspect the books, ticket stubs or any other data

underscored material = new
[bracketed material] = delete

1 necessary for the proper enforcement of the [~~privilege tax~~]
2 regulatory fee and supervisory fee imposed [in] pursuant to the
3 Professional Athletic Competition Act. "

4 Section 53. Section 60-2A-26 NMSA 1978 (being Laws 1980,
5 Chapter 90, Section 26, as amended) is amended to read:

6 "60-2A-26. [~~PRIVILEGE TAX~~] SUPERVISORY FEE ON CLOSED-
7 CIRCUIT TELECASTS OR MOTION PICTURES--REPORT TO COMMISSION. --

8 A. Any person who charges and receives an admission
9 fee for exhibiting any live professional contest on a closed-
10 circuit telecast or motion picture shall, within seventy-two
11 hours after the event, furnish to the commission a verified
12 written report on a form prescribed by the commission showing
13 the number of tickets sold and issued or sold or issued and the
14 gross receipts for the exhibition without any deductions.

15 B. There is imposed a [~~tax~~] supervisory fee upon
16 the privilege of exhibiting for an admission fee any live
17 professional contest [~~except a live professional boxing contest~~
18 ~~held in New Mexico between the effective date of this 1997 act~~
19 ~~and July 1, 1999]~~ on a closed-circuit telecast or motion
20 picture. [~~The rate of the tax imposed is~~] A supervisory fee is
21 imposed in an amount determined pursuant to the rules of the
22 commission to be sufficient to cover the costs of supervising
23 the exhibition; provided that the fee may not exceed five
24 percent of the gross receipts derived from the exhibition.

25 C. The [~~privilege tax~~] fee imposed [in] pursuant to

. 148645. 1

underscored material = new
[bracketed material] = delete

1 this section shall be administered, collected, enforced and the
2 proceeds deposited as provided in Section 60-2A-24 NMSA 1978. "

3 Section 54. Section 60-2A-27 NMSA 1978 (being Laws 1980,
4 Chapter 90, Section 27) is amended to read:

5 "60-2A-27. PENALTY--NONPAYMENT OF FEE. --Any person who
6 willfully attempts to evade or defeat any [~~tax~~] regulatory or
7 supervisory fee or the payment thereof imposed [~~by~~] pursuant to
8 the Professional Athletic Competition Act is guilty of a fourth
9 degree felony. "

10 Section 55. Section 60-2A-28 NMSA 1978 (being Laws 1980,
11 Chapter 90, Section 28) is amended to read:

12 "60-2A-28. CIVIL PENALTY.--In the case of failure due to
13 negligence or disregard of rules and regulations of the
14 commission, but without intent to defraud, to pay when due any
15 amount of [~~tax~~] regulatory or supervisory fee required to be
16 paid by the Professional Athletic Competition Act, there shall
17 be added to the amount two percent per month or a fraction
18 [~~thereof~~] of a month from the date the tax was due or from the
19 date the report was required to be filed, not to exceed ten
20 percent [~~thereof~~] of the fee due. "

21 Section 56. Section 66-3-3.1 NMSA 1978 (being Laws 1992,
22 Chapter 106, Section 7, as amended) is amended to read:

23 "66-3-3.1. TAX IDENTIFICATION CARD.--The department
24 shall implement a system for identifying motor carriers subject
25 to the weight distance tax and special fuel user permit

underscored material = new
[bracketed material] = delete

1 requirements, including an identifying number for each motor
2 carrier covered by the system. Annually, the department shall
3 issue ~~[a tax identification card in]~~ one or more ~~[copies to]~~
4 original tax identification cards sufficient for the number of
5 vehicles specified by each motor carrier who applies for a tax
6 identification card; provided that ~~[the card shall be renewed~~
7 ~~automatically each year as long as]~~ the motor carrier continues
8 to be subject to and in compliance with the weight distance tax
9 and special fuel user permit requirements. The tax
10 identification card shall contain the department's identifying
11 number for the motor carrier and ~~[such]~~ other information ~~[as]~~
12 that the department deems necessary. "

13 Section 57. Section 66-6-1 NMSA 1978 (being Laws 1978,
14 Chapter 35, Section 336, as amended) is amended to read:

15 "66-6-1. MOTORCYCLES--REGISTRATION FEES.--

16 A. For the registration of motorcycles, the
17 department shall collect the following fees for a twelve-month
18 registration period:

19 (1) for a motorcycle having not more than two
20 wheels in contact with the ground, ~~[eleven dollars (\$11.00)]~~
21 fifteen dollars (\$15.00); and

22 (2) for a motorcycle having three wheels in
23 contact with the ground or having a sidecar, ~~[eleven dollars~~
24 ~~(\$11.00)]~~ fifteen dollars (\$15.00).

25 B. In addition to other fees required by this

. 148645. 1

underscored material = new
[bracketed material] = delete

1 section, the department shall collect for each motorcycle an
2 annual tire recycling fee of one dollar (\$1.00) for a twelve-
3 month registration period. "

4 Section 58. Section 66-6-2 NMSA 1978 (being Laws 1978,
5 Chapter 35, Section 337, as amended) is amended to read:

6 "66-6-2. PASSENGER VEHICLES--REGISTRATION FEES.--For the
7 registration of motor vehicles other than motorcycles, trucks,
8 buses and tractors, the division shall collect the following
9 fees for each twelve-month registration period:

10 A. for a vehicle whose gross factory shipping
11 weight is not more than two thousand pounds, [~~twenty dollars~~
12 ~~(\$20.00)~~] twenty-seven dollars (\$27.00); provided, however,
13 that after five years of registration, calculated from the date
14 when the vehicle was first registered in this or another state,
15 the fee is [~~sixteen dollars (\$16.00)~~] twenty-one dollars
16 (\$21.00);

17 B. for a vehicle whose gross factory shipping
18 weight is more than two thousand but not more than three
19 thousand pounds, [~~twenty-nine dollars (\$29.00)~~] thirty-nine
20 dollars (\$39.00); provided, however, that after five years of
21 registration, calculated from the date when the vehicle was
22 first registered in this or another state, the fee is [~~twenty-~~
23 ~~three dollars (\$23.00)~~] thirty-one dollars (\$31.00);

24 C. for a vehicle whose gross factory shipping
25 weight is more than three thousand pounds, [~~forty-two dollars~~

. 148645. 1

underscored material = new
[bracketed material] = delete

1 ~~(\$42.00)]~~ fifty-six dollars (\$56.00); provided, however, that
2 after five years of registration, calculated from the date when
3 the vehicle was first registered in this or another state, the
4 fee is [~~thirty-four dollars (\$34.00)]~~ forty-five dollars
5 (\$45.00); and

6 D. for a vehicle registered pursuant to the
7 provisions of this section, a tire recycling fee of one dollar
8 fifty cents (\$1.50). "

9 Section 59. Section 66-6-3 NMSA 1978 (being Laws 1978,
10 Chapter 35, Section 338, as amended) is amended to read:

11 "66-6-3. TRAILERS--REGISTRATION FEES. --

12 A. For the registration of freight trailers and
13 utility trailers, the following fees shall be collected:

14 (1) for the permanent registration or
15 reregistration of freight trailers, [~~ten dollars (\$10.00)]~~
16 thirteen dollars (\$13.00);

17 (2) for the annual registration of each
18 utility trailer not permanently registered, [~~five dollars~~
19 ~~(\$5.00) plus one dollar (\$1.00)]~~ seven dollars (\$7.00) plus one
20 dollar (\$1.00) for each one hundred pounds or major fraction
21 thereof of actual empty weight over five hundred pounds actual
22 empty weight; except that in the case of travel trailers,
23 actual empty weight shall be one-half of the gross factory
24 shipping weight or, if gross factory shipping weight is not
25 available, then actual empty weight shall be one-half of actual

. 148645. 1

underscored material = new
[bracketed material] = delete

1 gross vehicle weight; and

2 (3) for the permanent registration of utility
3 trailers not used in commerce that have a gross vehicle weight
4 of less than six thousand one pounds, [~~twenty-five dollars~~
5 ~~(\$25.00) plus five dollars (\$5.00)~~] thirty-three dollars
6 (\$33.00) plus seven dollars (\$7.00) for each one hundred pounds
7 or major fraction thereof of actual empty weight over five
8 hundred pounds actual empty weight; except that in the case of
9 travel trailers, actual empty weight shall be one-half of the
10 gross factory shipping weight or, if gross factory shipping
11 weight is not available, then actual empty weight shall be one-
12 half of actual gross vehicle weight and for the reregistration
13 of such utility trailers upon their sale or transfer, [~~five~~
14 ~~dollars (\$5.00)~~] seven dollars (\$7.00).

15 B. At the option of the owner of a fleet of fifty
16 or more utility trailers wishing to register them in New
17 Mexico, the [~~motor vehicle~~] division shall issue a registration
18 and registration plate for each trailer in the fleet, the
19 registration and registration plate to expire on the last day
20 of the final month of a five-year period. Registrations and
21 registration plates shall be issued for five years only if the
22 owner of the trailers meets the following requirements:

23 (1) application is made on forms prescribed
24 by the [~~motor vehicle~~] division and payment of the proper fee
25 is made;

. 148645. 1

underscored material = new
[bracketed material] = delete

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

(2) upon the option of the director,
presentation is made at the time of registration of a surety
bond, certificate of deposit or of other financial security;
and

(3) payment is made by the fleet owner of all
registration fees due each year prior to the expiration date.
If such fees are not paid, all registrations and registration
plates in the fleet shall be canceled. "

Section 60. Section 66-6-4 NMSA 1978 (being Laws 1978,
Chapter 35, Section 339, as amended) is amended to read:

"66-6-4. REGISTRATION FEES--TRUCKS, TRUCK TRACTORS, ROAD
TRACTORS AND BUSES. --

A. Within their respective jurisdictions, the motor
vehicle division and the motor transportation division of the
department of public safety shall charge registration fees for
trucks, truck tractors, road tractors and buses, except as
otherwise provided by law, according to the schedule of
Subsection B of this section.

B. Declared Gross Weight	Fee	
001 to 4,000	[\$ 30]	<u>\$ 40</u>
4,001 to 6,000	[41]	<u>55</u>
6,001 to 8,000	[52]	<u>69</u>
8,001 to 10,000	[63]	<u>84</u>
10,001 to 12,000	[74]	<u>99</u>
12,001 to 14,000	[85]	<u>113</u>

underscored material = new
[bracketed material] = delete

1	14,001 to 16,000	[96]	<u>128</u>
2	16,001 to 18,000	[107]	<u>143</u>
3	18,001 to 20,000	[118]	<u>157</u>
4	20,001 to 22,000	[129]	<u>172</u>
5	22,001 to 24,000	[140]	<u>187</u>
6	24,001 to 26,000	[151]	<u>201</u>
7	26,001 to 48,000	[88-50]	<u>118</u>
8	48,001 and over	[129-50]	<u>172.</u>

9 C. All trucks whose declared gross weight or whose
10 gross vehicle weight is less than twenty-six thousand pounds,
11 after five years of registration, calculated from the date when
12 the vehicle was first registered in this or another state,
13 shall be charged registration fees at eighty percent of the
14 rate set out in Subsection B of this section.

15 D. All trucks with a gross vehicle weight of more
16 than twenty-six thousand pounds and all truck tractors and road
17 tractors used to tow freight trailers shall be registered on
18 the basis of combination gross vehicle weight.

19 E. All trucks with a gross vehicle weight of twenty-
20 six thousand pounds or less shall be registered on the basis of
21 gross vehicle weight. A trailer, semitrailer or pole trailer
22 towed by a truck of such gross vehicle weight shall be
23 classified as a utility trailer for registration purposes
24 unless otherwise provided by law.

25 F. All farm vehicles having a declared gross weight

underscored material = new
[bracketed material] = delete

1 of more than six thousand pounds shall be charged registration
2 fees of two-thirds of the rate of the respective fees provided
3 in this section and shall be issued distinctive registration
4 plates. "Farm vehicle" means ~~any~~ a vehicle owned by a person
5 whose principal occupation is farming or ranching and which
6 vehicle is used principally in the transportation of farm and
7 ranch products to market and farm and ranch supplies and
8 livestock from the place of purchase to farms and ranches in
9 this state; provided that the vehicle is not used for hire.

10 G. In addition to other registration fees imposed by
11 this section, beginning July 1, 1994, there is imposed at the
12 time of registration an annual tire recycling fee of one dollar
13 fifty cents (\$1.50) on each vehicle subject to a registration
14 fee pursuant to this section, except for vehicles with a
15 declared gross weight of greater than twenty-six thousand
16 pounds upon which registration fees are imposed by Subsection B
17 of this section.

18 H. ~~Four~~ Three percent of registration fees of
19 trucks having from twenty-six thousand one pounds to forty-
20 eight thousand pounds declared gross vehicle weight is to be
21 transferred to the tire recycling fund pursuant to the
22 provisions of Section 66-6-23 NMSA 1978.

23 I. ~~Five~~ Three and seventy-five hundredths percent
24 of registration fees of trucks in excess of forty-eight
25 thousand pounds declared gross vehicle weight is to be

underscored material = new
[bracketed material] = delete

1 transferred to the tire recycling fund pursuant to the
2 provisions of Section 66-6-23 NMSA 1978. "

3 Section 61. Section 66-6-5 NMSA 1978 (being Laws 1978,
4 Chapter 35, Section 340, as amended) is amended to read:

5 "66-6-5. BUS REGISTRATION FEES. --All buses shall pay the
6 registration fees provided in Section 66-6-4 NMSA 1978, except
7 for school buses and buses operated by religious or nonprofit
8 charitable organizations for the express purpose of the
9 organization for which the annual registration fee is [~~five~~
10 ~~dollars (\$5.00)~~] seven dollars (\$7.00). In addition to other
11 registration fees imposed by this section, beginning July 1,
12 1994, there is imposed at the time of registration an annual
13 tire recycling fee of fifty cents (\$.50) per wheel that is in
14 contact with the ground on each vehicle subject to a
15 registration fee pursuant to this section. "

16 Section 62. Section 66-6-8 NMSA 1978 (being Laws 1978,
17 Chapter 35, Section 343, as amended) is amended to read:

18 "66-6-8. BUS REGISTRATION-- AGRICULTURAL LABOR FEES. --

19 A. A bus that has a normal seating capacity of forty
20 passengers or less and that is used exclusively for the
21 transportation of agricultural laborers may be registered upon
22 payment to the division of a fee of [~~twenty-five dollars~~
23 ~~(\$25.00)~~] thirty-three dollars (\$33.00).

24 B. In addition to the registration fee imposed by
25 this section, there is imposed at the time of registration an

underscored material = new
[bracketed material] = delete

1 annual tire recycling fee of fifty cents (\$.50) per wheel that
2 is in contact with the ground on each vehicle subject to a
3 registration fee pursuant to this section.

4 C. Application for registration of a bus [~~under~~]
5 pursuant to this section shall be made in the form prescribed
6 by the division and shall be accompanied by an affidavit that
7 the bus will be used exclusively for the transportation of
8 agricultural laborers. Upon registration, the bus is exempt
9 from tariff-filing requirements of the public regulation
10 commission. "

11 Section 63. Section 66-6-9 NMSA 1978 (being Laws 1978,
12 Chapter 35, Section 344) is amended to read:

13 "66-6-9. FEE FOR FERTILIZER TRAILERS.--In lieu of the
14 registration fee provided for in Section [~~64-6-3 NMSA 1953~~]
15 66-6-3 NMSA 1978, the division shall collect a registration fee
16 of [~~five dollars (\$5.00)~~] seven dollars (\$7.00) for each
17 trailer used on the highways of this state by any commercial
18 fertilizer company solely for the delivery or distribution of
19 liquid fertilizer to a farmer; provided [~~such~~] the trailer has
20 an empty weight not in excess of three thousand five hundred
21 pounds. "

22 Section 64. Section 66-6-10 NMSA 1978 (being Laws 1978,
23 Chapter 35, Section 345, as amended) is amended to read:

24 "66-6-10. REGISTRATION FEES FOR MANUFACTURED HOMES AND
25 TRAVEL TRAILERS-- DIVISION TO NOTIFY COUNTY ASSESSOR OF

. 148645. 1

underscored material = new
[bracketed material] = delete

1 MANUFACTURED HOME REGISTRATION. --

2 A. For the registration of each manufactured home,
3 the division shall collect a fee of [~~five dollars (\$5.00)~~]
4 seven dollars (\$7.00).

5 B. The division shall compile and transmit to each
6 county assessor each year a list of the manufactured homes that
7 are registered with the division showing [~~his~~] the assessor's
8 county as the principal location of the manufactured home. The
9 listing shall include all data pertinent to and necessary for
10 the county assessor to value the manufactured homes in
11 accordance with valuation [~~regulations~~] rules promulgated by
12 the property tax division [~~under~~] pursuant to Section 7-36-26
13 NMSA 1978. The listing required by this subsection shall be
14 transmitted no later than thirty days following the close of
15 the annual registration process and shall be supplemented no
16 less often than every thirty days to provide information to the
17 appropriate county assessors on registrations occurring
18 throughout the year.

19 C. At the time a person registers [~~his~~] a
20 manufactured home and pays the fee required by this section,
21 [~~he~~] the person shall be notified in writing by the division
22 that the information required by Subsection B of this section
23 will be furnished to the county assessor of the county of the
24 principal location of the manufactured home and that the
25 manufactured home is subject to property taxation under the

underscored material = new
[bracketed material] = delete

1 Property Tax Code. "

2 Section 65. Section 66-6-12 NMSA 1978 (being Laws 1978,
3 Chapter 35, Section 347) is amended to read:

4 "66-6-12. FEES FOR SCHOOL BUSES. --

5 A. Registration fees for school buses used solely for
6 the purpose of transportation of school children and other
7 school activities shall be [~~five dollars (\$5.00)~~] seven dollars
8 (\$7.00) a year.

9 B. The application for registration of a school bus
10 shall be accompanied by the certificate of the director of
11 transportation of the [~~state department of~~] public education
12 department stating that the vehicle is used solely and
13 exclusively as a school bus. [~~No~~] A passenger car shall not be
14 considered [~~as~~] a school bus for the purposes of this section. "

15 Section 66. Section 66-6-23.1 NMSA 1978 (being Laws 1999,
16 Chapter 49, Section 8) is amended to read:

17 "66-6-23.1. FORMULAIC DISTRIBUTION. --

18 A. The balance from Section 66-6-23 NMSA 1978 shall
19 be transferred or distributed by the state treasurer on or
20 before the last day of the month next after its receipt, as
21 follows:

22 (1) [~~sixty-six and five hundred forty-one~~
23 ~~thousandths~~] seventy-four and sixty-five hundredths percent
24 shall be distributed to the state road fund;

25 (2) [~~ten and thirty-two thousandths~~] seven and
. 148645. 1

underscored material = new
[bracketed material] = delete

1 six-tenths percent shall be transferred to each county in the
2 proportion, determined by the department in accordance with
3 Subsection B of this section, that the registration fees for
4 vehicles in that county are to the total registration fees for
5 vehicles in all counties;

6 (3) [~~ten and thirty-two thousandths~~] seven and
7 six-tenths percent shall be transferred to the counties, with
8 each county receiving an amount equal to the proportion,
9 determined by the secretary of [~~highway and~~] transportation in
10 accordance with Subsection D of this section, that the mileage
11 of public roads maintained by the county is to the total
12 mileage of public roads maintained by all counties of the
13 state. Amounts distributed to each county in accordance with
14 this paragraph shall be credited to the respective county road
15 fund and be used for the improvement and maintenance of the
16 public roads in the county and to pay for the acquisition of
17 rights of way and material pits. For this purpose, the board
18 of county commissioners of each of the respective counties
19 shall certify by April 1 of each year to the secretary of
20 [~~highway and~~] transportation the total mileage as of April 1 of
21 that year; provided that in their report, the boards of county
22 commissioners shall identify each of the public roads
23 maintained by them by name, route and location. By agreement
24 and in cooperation with the [~~state highway and~~] department of
25 transportation [~~department~~], the boards of county commissioners

. 148645. 1

underscored material = new
[bracketed material] = delete

1 of the various counties may use or designate any of the funds
2 provided in this paragraph for ~~[any]~~ a federal aid program;

3 (4) ~~[five and three hundred fifty-eight~~
4 ~~thousandths]~~ four and six-hundredths percent shall be allocated
5 among the counties in the proportion, determined by the
6 department in accordance with Subsection B of this section,
7 that the registration fees for vehicles in that county are to
8 the total registration fees for vehicles in all counties. The
9 amount allocated to each county shall be transferred to the
10 incorporated municipalities within the county in the
11 proportion, determined by the department of finance and
12 administration in accordance with Subsection C of this section,
13 that the sum of net taxable value, as that term is defined in
14 the Property Tax Code, plus the assessed value, as that term is
15 used in the Oil and Gas Ad Valorem Production Tax Act and in
16 the Oil and Gas Production Equipment Ad Valorem Tax Act,
17 determined for the incorporated municipality is to the sum of
18 net taxable value plus assessed value determined for all
19 incorporated municipalities within the county. Amounts
20 transferred to incorporated municipalities pursuant to the
21 provisions of this paragraph shall be used for the
22 construction, maintenance and repair of streets within the
23 municipality and for payment of paving assessments against
24 property owned by federal, county or municipal governments. In
25 ~~[any]~~ a county in which there are no incorporated

. 148645. 1

underscored material = new
[bracketed material] = delete

1 municipalities, the amount allocated pursuant to this paragraph
2 shall be transferred to the county government road fund and
3 used in accordance with the provisions of Paragraph (3) of this
4 subsection; and

5 (5) [~~eight and thirty seven thousandths~~] six and
6 nine-hundredths percent shall be allocated among the counties
7 in the proportion, determined by the department of finance and
8 administration in accordance with Subsection C of this section,
9 that the registration fees for vehicles in that county are to
10 the total registration fees for vehicles in all counties. The
11 amount allocated to each county shall be transferred to the
12 county and incorporated municipalities within the county in the
13 proportion, determined by the department of finance and
14 administration in accordance with Subsection B of this section,
15 that the computed taxes due for the county and each
16 incorporated municipality within the county bear to the total
17 computed taxes due for the county and incorporated
18 municipalities within the county. For the purposes of this
19 paragraph, the term "computed taxes due" for [any] a
20 jurisdiction means the sum of the net taxable value, as that
21 term is defined in the Property Tax Code, plus the assessed
22 value, as that term is used in the Oil and Gas Ad Valorem
23 Production Tax Act and in the Oil and Gas Production Equipment
24 Ad Valorem Tax Act, for that jurisdiction multiplied by an
25 average of the rates for residential and nonresidential

. 148645. 1

underscored material = new
[bracketed material] = delete

1 property imposed for that jurisdiction pursuant to Subsection B
2 of Section 7-37-7 NMSA 1978.

3 B. To carry out the provisions of this section,
4 during the month of June of each year:

5 (1) the department shall determine and certify
6 to the department of finance and administration the proportions
7 ~~[which]~~ that the department is required to determine pursuant
8 to Subsection A of this section using information for the
9 preceding calendar year on the number of vehicles registered in
10 each county based on the address of the owner or place where
11 the vehicle is principally located, the registration fees for
12 the vehicles registered in each county, the total number of
13 vehicles registered in the state and the total registration
14 fees for all vehicles registered in the state; and

15 (2) the department of finance and administration
16 shall determine the proportions that the department of finance
17 and administration is required to determine pursuant to
18 ~~[Subsection B of this section]~~ this subsection based upon the
19 net taxable value, as that term is defined in the Property Tax
20 Code, and the assessed value, as that term is used in the Oil
21 and Gas Ad Valorem Production Tax Act and the Oil and Gas
22 Production Equipment Ad Valorem Tax Act, for the preceding tax
23 year and the tax rates imposed pursuant to Subsection B of
24 Section 7-37-7 NMSA 1978 in the preceding September.

25 C. By June 30 of each year, the department of finance

underscored material = new
[bracketed material] = delete

1 and administration shall determine the appropriate percentage
2 of money to be transferred to each county and municipality for
3 each purpose in accordance with Subsection A of this section
4 based upon the proportions determined by or certified to the
5 department of finance and administration. The percentages
6 determined shall be used to compute the amounts to be
7 transferred to the counties and municipalities during the
8 succeeding fiscal year.

9 D. The board of county commissioners of each of the
10 respective counties shall, by April 1 of every year, certify
11 reports to the secretary of [~~highway and~~] transportation of the
12 total mileage of public roads maintained by each county as of
13 April 1 of every year; provided that in their reports, the
14 boards of county commissioners shall identify each of the
15 public roads maintained by them by name, route and location.
16 By July 1 of every year, the secretary of [~~highway and~~]
17 transportation shall verify the reports of the counties and
18 revise, if necessary, the total mileage of public roads
19 maintained by each county. The mileage verified by the
20 secretary of [~~highway and~~] transportation shall be the official
21 mileage of public roads maintained by each county.
22 Distribution of amounts to [~~any~~] a county for road purposes
23 shall be made in accordance with this section.

24 E. If a county has not made the required mileage
25 certification pursuant to Section 67-3-28.3 NMSA 1978 by April

underscored material = new
[bracketed material] = delete

1 1 of any year, the secretary of [~~highway and~~] transportation
2 shall estimate the mileage maintained by those counties for the
3 purpose of making distribution to all counties, and the amount
4 calculated to be distributed each month to those counties not
5 certifying mileage shall be reduced by one-third each month for
6 that fiscal year, and that amount not distributed to those
7 counties shall be distributed equally to all counties that have
8 certified mileages. "

9 Section 67. Section 66-7-413 NMSA 1978 (being Laws 1978,
10 Chapter 35, Section 484, as amended by Laws 2003, Chapter 141,
11 Section 4 and by Laws 2003, Chapter 142, Section 23 and by Laws
12 2003, Chapter 359, Section 42 and also by Laws 2003, Chapter
13 361, Section 1) is amended to read:

14 "66-7-413. PERMITS FOR EXCESSIVE SIZE AND WEIGHT--SPECIAL
15 NOTIFICATION REQUIRED ON MOVEMENT OF MANUFACTURED HOMES.--

16 A. The department of public safety and local highway
17 authorities may, in their discretion, upon application in
18 writing and good cause being shown, issue a special permit in
19 writing authorizing the applicant to operate or move a vehicle
20 or load of a size or weight exceeding the maximum specified in
21 Sections 66-7-401 through 66-7-416 NMSA 1978 on [~~any~~] a highway
22 under the jurisdiction of the state transportation commission
23 or local authorities. Except for the movement of manufactured
24 homes, a permit may be granted, in cases of emergency, for the
25 transportation of loads on a certain unit or combination of

underscored material = new
[bracketed material] = delete

1 equipment for a specified period of time not to exceed one
2 year, and the permit shall contain the route to be traversed,
3 the type of load to be transported and any other restrictions
4 or conditions deemed necessary by the body granting the permit.
5 In every other case, the permit shall be issued for a single
6 trip and may designate the route to be traversed and contain
7 any other restrictions or conditions deemed necessary by the
8 body granting the permit. Every permit shall be carried in the
9 vehicle to which it refers and shall be opened for inspection
10 to any peace officer. It is a misdemeanor for ~~[any]~~ a person
11 to violate ~~[any of the conditions]~~ a condition or ~~[terms]~~ term
12 of the special permit.

13 B. The department of public safety shall charge and
14 collect, when the movement consists of ~~[any]~~ a load of a width
15 of twenty feet or greater for a distance of five miles or more,
16 the sum of three hundred dollars (\$300) a day or fraction
17 thereof to defray the cost of state or local police escort.
18 The permit issued and the fee charged shall be based upon the
19 entire movement at one time requiring police escort and not
20 upon the number of vehicles involved.

21 C. The department of public safety shall promulgate
22 ~~[regulations]~~ rules in accordance with the State Rules Act
23 pertaining to safety practices, liability insurance and
24 equipment for escort vehicles provided by the motor carrier
25 himself and for escort vehicles provided by a private business

underscored material = new
[bracketed material] = delete

1 in this state.

2 (1) [~~If a motor carrier provides his own escort~~
3 ~~vehicles and personnel~~] The department [~~shall not charge an~~
4 ~~escort fee but~~] of public safety shall provide the [~~motor~~
5 ~~carrier~~] escort personnel with a copy of applicable
6 [~~regulations~~] rules and shall inspect the escort vehicles for
7 the safety equipment required by the [~~regulations~~] rules. If
8 the escort vehicles and personnel meet the requirements set
9 forth in the [~~regulations and if the motor carrier holds a~~
10 ~~valid certificate of public convenience and necessity or~~
11 ~~permit, as applicable, issued pursuant to Chapter 65, Article 2~~
12 ~~NMSA 1978~~] rules, the department of public safety shall issue
13 the special permit, but shall not charge an escort fee. If the
14 motor carrier provides its own escort vehicles and personnel,
15 the department of public safety shall require that the motor
16 carrier have a warrant issued by the public regulation
17 commission.

18 [~~(2) If the escort service is a private~~
19 ~~business, the business shall have applied to the public~~
20 ~~regulation commission for and been issued a permit or~~
21 ~~certificate to operate as a contract or common motor carrier~~
22 ~~pursuant to Chapter 65, Article 2 NMSA 1978. The public~~
23 ~~regulation commission shall supply copies of applicable~~
24 ~~regulations to the business by mail and shall supply additional~~
25 ~~copies upon request. If the escort vehicles and personnel meet~~

. 148645. 1

underscored material = new
[bracketed material] = delete

1 ~~the requirements set forth in the regulations and if the escort~~
2 ~~service holds a certificate, the special permit shall be issued~~
3 ~~and the department shall not charge an escort fee.~~

4 ~~(3)~~ (2) The movement of vehicles upon the
5 highways of this state requiring a special permit and required
6 to use an escort of the type noted in [~~Paragraphs (1) and (2)~~]
7 Paragraph (1) of this subsection is subject to department of
8 public safety authority and inspection at all times.

9 ~~(4)~~ (3) The [~~state highway and~~] department of
10 transportation [~~department~~] shall conduct engineering
11 investigations and engineering inspections to determine which
12 four-lane highways are safe for the operation or movement of
13 manufactured homes without an escort. After making that
14 determination, the [~~state highway and~~] department of
15 transportation [~~department~~] shall hold public hearings in the
16 area of the state affected by the determination, after which it
17 may adopt [~~regulations~~] rules designating those four-lane
18 highways as being safe for the operation or movement of
19 manufactured homes without an escort. If [~~any~~] a portion of
20 such a four-lane highway lies within the boundaries of a
21 municipality, the [~~state highway and~~] department of
22 transportation [~~department~~], after obtaining the approval of
23 the municipal governing body, shall include such portions in
24 its [~~regulations~~] rules.

25 D. Except for the movement of manufactured homes,

underscored material = new
[bracketed material] = delete

1 special permits may be issued for a single vehicle or
2 combination of vehicles by the department of public safety for
3 a period not to exceed one year for a fee of [~~sixty dollars~~
4 ~~(\$60.00)~~] three hundred dollars (\$300). The permits may allow
5 excessive height, length and width for a vehicle or combination
6 of vehicles or load thereon and may include a provision for
7 excessive weight if [~~the operation is to be within the vicinity~~
8 ~~of a municipality~~] the distance between the origin and the
9 destination of each single trip is thirty miles or less.
10 Utility service vehicles, operating with special permits
11 pursuant to this subsection, shall be exempt from prohibitions
12 or restrictions relating to hours or days of operation or
13 restrictions on movement because of poor weather conditions.

14 E. Special permits for a single trip for a vehicle or
15 combination of vehicles or load thereon of excessive weight,
16 width, length and height may be issued by the department of
17 public safety for a single vehicle for a fee of [~~fifteen~~
18 ~~dollars (\$15.00)~~] twenty-five dollars (\$25.00) plus the product
19 of four cents (\$.04) for each two thousand pounds in excess of
20 eighty-six thousand four hundred pounds or major fraction
21 thereof multiplied by the number of miles to be traveled by the
22 vehicle or combination of vehicles on the highways of this
23 state.

24 F. If [~~the~~] a vehicle for which a permit is issued
25 [~~under~~] pursuant to this section is a manufactured home, the

underscored material = new
[bracketed material] = delete

1 department of public safety or local highway authority issuing
2 the permit shall furnish the following information to the
3 property tax division of the taxation and revenue department,
4 which shall [~~then~~] forward the information:

5 (1) to the county assessor of [~~any~~] a county
6 from which a manufactured home is being moved, the date the
7 permit was issued, the location being moved from, the location
8 being moved to if within the same county, the name of the owner
9 of the manufactured home and the identification and
10 registration numbers of the manufactured home;

11 (2) to the county assessor of any county in this
12 state to which a manufactured home is being moved, the date the
13 permit was issued, the location being moved from, the location
14 being moved to, the name of the owner of the manufactured home
15 and the registration and identification numbers of the
16 manufactured home; and

17 (3) to the owner of a manufactured home having a
18 destination in this state, notification that the information
19 required in Paragraphs (1) and (2) of this subsection is being
20 given to the respective county assessors and that manufactured
21 homes are subject to property taxation.

22 G. Except as provided in Subsection H of this
23 section, if the movement of a manufactured home originates in
24 this state, [~~no~~] a permit shall not be issued [~~under~~] pursuant
25 to Subsection F of this section until the owner of the

underscored material = new
[bracketed material] = delete

1 manufactured home or ~~[his]~~ the authorized agent of the owner
2 obtains and presents to the department of public safety proof
3 that a certificate has been issued by the county assessor or
4 treasurer of the county in which the manufactured home movement
5 originates showing that either:

6 (1) all property taxes due or to become due on
7 the manufactured home for the current tax year or any past tax
8 years have been paid, except for manufactured homes located on
9 an Indian reservation; or

10 (2) ~~[no]~~ liability for property taxes on the
11 manufactured home ~~[exists]~~ does not exist for the current tax
12 year or ~~[any]~~ a past tax ~~[years]~~ year, except for manufactured
13 homes located on an Indian reservation.

14 H. The movement of a manufactured home from the lot
15 or business location of a manufactured home dealer to its
16 destination designated by an owner-purchaser is not subject to
17 the requirements of Subsection G of this section if the
18 manufactured home movement originates from the lot or business
19 location of the dealer and the manufactured home was part of
20 ~~[his]~~ the dealer's inventory prior to the sale to the owner-
21 purchaser; however, the movement of a manufactured home by a
22 dealer or ~~[his]~~ the dealer's authorized agent as a result of a
23 sale or trade-in from a nondealer-owner is subject to the
24 requirements of Subsection G of this section whether the
25 destination is the business location of a dealer or some other

underscored material = new
[bracketed material] = delete

1 destination.

2 I. ~~[No]~~ A permit shall not be issued ~~[under]~~ pursuant
3 to this section for movement of a manufactured home whose width
4 exceeds eighteen feet with no more than a six-inch roof
5 overhang on the left side or twelve inches on the right side in
6 addition to the eighteen-foot width of the manufactured home.
7 Manufactured homes exceeding the limitations of this section
8 shall only be moved on dollies placed on the front and the rear
9 of the structure.

10 J. The secretary of public safety may by ~~[regulation]~~
11 rule provide for movers of manufactured homes to self-issue
12 permits for certain sizes of manufactured homes over specific
13 routes ~~[however, in no case may]~~. The cost of ~~[each]~~ a permit
14 shall not be less than ~~[fifteen dollars (\$15.00)]~~ twenty-five
15 dollars (\$25.00).

16 K. The secretary of public safety may provide by
17 ~~[regulation]~~ rule for dealers of implements of husbandry to
18 self-issue permits for the movement of certain sizes of
19 implements of husbandry from the lot or business location of
20 the dealer over specific routes with specific escort
21 requirements, if necessary, to a destination designated by an
22 owner-purchaser or for purposes of a working demonstration on
23 the property of a proposed owner-purchaser. The department of
24 public safety shall charge a fee for each self-issued permit
25 not to exceed fifteen dollars (\$15.00).

. 148645. 1

underscored material = new
[bracketed material] = delete

1 L. ~~[Any]~~ A private motor carrier requesting an
2 oversize or overweight permit shall provide proof of insurance
3 in at least the following amounts:

4 (1) bodily injury liability, providing:

5 (a) fifty thousand dollars (\$50,000) for
6 each person; and

7 (b) one hundred thousand dollars (\$100,000)
8 for each accident; and

9 (2) property damage liability, providing twenty-
10 five thousand dollars (\$25,000) for each accident.

11 M. ~~[Any common]~~ A motor carrier requesting an
12 oversize permit shall produce a copy of a ~~[form "e" or other~~
13 ~~acceptable]~~ warrant or single state registration receipts as
14 evidence that the ~~[common]~~ motor carrier maintains the
15 insurance minimums prescribed by the public regulation
16 commission.

17 N. The department of public safety may provide by
18 rule the time periods during which a vehicle or load of a size
19 or weight exceeding the maximum specified in Sections 66-7-401
20 through 66-7-416 NMSA 1978 may be operated or moved by a motor
21 carrier on a highway under the jurisdiction of the state
22 transportation commission or local authorities.

23 O. Revenue from fees for special permits authorizing
24 vehicles and loads of excessive size or weight to operate or
25 move upon a highway under the jurisdiction of the state

. 148645. 1

underscored material = new
[bracketed material] = delete

1 transportation commission or local authorities shall be
2 collected for the department of transportation and transferred
3 to the state road fund."

4 Section 68. Section 66-7-413.4 NMSA 1978 (being Laws
5 2001, Chapter 20, Section 2) is amended to read:

6 "66-7-413.4. PERMITS FOR EXCESSIVE WEIGHT. --

7 A. In addition to the authority granted in Section
8 66-7-413 NMSA 1978, the motor transportation division of the
9 department of public safety may issue special permits
10 authorizing an increase of up to twenty-five percent in axle
11 weight for liquid hauling tank vehicles whenever the liquid
12 hauling tank vehicles would have to haul less than a full tank
13 under the maximum weights authorized in Section 66-7-409 and
14 66-7-410 NMSA 1978. A special permit under this section may be
15 issued for a single trip or for a year. The fee for the
16 permits shall be thirty-five dollars (\$35.00) for a single-trip
17 permit and one hundred twenty dollars (\$120) for an annual
18 permit. Revenue from the permit fee shall be used to build,
19 maintain, repair or reconstruct the highways and bridges of
20 this state. Revenue from the permit shall be collected for the
21 department of transportation and transferred to the state road
22 fund.

23 B. The special permits authorized by this section
24 shall not be valid for transportation of excessive weights on
25 the interstate system as currently defined in federal law or as

. 148645. 1

underscored material = new
[bracketed material] = delete

1 that system may be defined in the future. [~~No~~] A special
2 permit issued pursuant to this section shall not be valid for
3 gross vehicle weights in excess of eighty-six thousand four
4 hundred pounds or for [~~any~~] a combination vehicle.

5 C. If the federal highway administration of the
6 United States department of transportation gives official
7 notice that money will be withheld or that this section
8 violates the grandfather provision of 23 USCA 127, the
9 secretary may withdraw all special permits and discontinue
10 issuance of all special permits authorized in this section
11 until such time that final determination is made. If the final
12 determination allows the state to issue the special permits
13 without sanction of funds or weight tables, [~~then~~] the
14 secretary shall reissue the special permits previously
15 withdrawn and make the special permits available pursuant to
16 this section. "

17 Section 69. Section 67-3-59.2 NMSA 1978 (being Laws 1999
18 (1st S.S.), Chapter 9, Section 3) is amended to read:

19 "67-3-59.2. HIGHWAY INFRASTRUCTURE FUND CREATED--
20 PURPOSE. --

21 A. The "highway infrastructure fund" is created in
22 the state treasury and shall be administered by the department.
23 The fund shall consist of money from various fees and taxes
24 distributed to the fund. Earnings on investment of the fund
25 shall be credited to the fund. Balances in the fund at the end

. 148645. 1

underscored material = new
[bracketed material] = delete

1 of any fiscal year shall not revert and shall remain in the
2 fund for the purposes authorized in this section.

3 B. Money in the fund shall be used solely for
4 acquisition of rights of way or planning, design, engineering,
5 construction or improvement of state highway projects
6 authorized pursuant to the provisions of Laws 1998, Chapter 84,
7 [~~and~~] Subsections C through H of Section 1 of Chapter 85 of
8 Laws 1998 and Sections 97 and 98 of this 2003 act and is
9 appropriated to the department for expenditure for those
10 purposes.

11 C. The taxes and fees required by law to be
12 distributed to the highway infrastructure fund may be pledged
13 for the payment of state highway bonds issued pursuant to
14 [~~Section~~] Sections 67-3-59.1 and 67-3-59.3 NMSA 1978 for the
15 highway projects authorized in the laws specified in Subsection
16 B of this section. "

17 Section 70. A new section of Chapter 67, Article 3 NMSA
18 1978, Section 67-3-59.3 NMSA 1978, is enacted to read:

19 "67-3-59.3. [NEW MATERIAL] STATE TRANSPORTATION PROJECT
20 BONDS--ISSUANCE--LIMITS--APPROVAL.--

21 A. In order to provide funds to finance state
22 transportation projects, the New Mexico finance authority, when
23 directed by the state transportation commission, is authorized,
24 subject to the limitations of this section, to issue bonds from
25 time to time, payable from:

. 148645. 1

underscoring material = new
[bracketed material] = delete

1 (1) federal funds not otherwise obligated that
2 are paid into the state road fund;

3 (2) proceeds of the collection of additional
4 taxes and fees that are required in this 2003 act to be paid
5 into the state road fund and not otherwise pledged exclusively
6 to the payment of outstanding bonds and debentures; and

7 (3) taxes and fees required by law to be paid
8 into the highway infrastructure fund.

9 B. Upon authorization of state transportation
10 projects and appropriation of net bond proceeds by the
11 legislature, bonds in the total aggregate principal amount of
12 one billion five hundred eighty-five million dollars
13 (\$1,585,000,000) may be issued by the New Mexico finance
14 authority pursuant to this section for state transportation
15 projects, to be secured by or payable from taxes or fees
16 required by law to be paid into the state road fund, federal
17 funds not otherwise obligated that are paid into the state road
18 fund and taxes or fees required by law to be paid into the
19 highway infrastructure fund.

20 C. The New Mexico finance authority, when directed by
21 the state transportation commission, may issue bonds to refund
22 other bonds issued by or at the direction of the state
23 transportation commission pursuant to this section or Section
24 67-3-59.1 NMSA 1978 by exchange or current or advance
25 refunding.

. 148645. 1

underscored material = new
[bracketed material] = delete

1 D. In consultation with the state transportation
2 commission, the New Mexico finance authority shall determine
3 all terms, covenants and conditions of the bonds; provided that
4 the project design life of a project meets or exceeds the life
5 of the bond issued for that project, and each series of bonds
6 shall be sold, executed and delivered in accordance with the
7 provisions of the New Mexico Finance Authority Act. The New
8 Mexico finance authority may enter into interest rate exchange
9 agreements, interest rate swap contracts, insurance agreements,
10 remarketing agreements and any other agreements deemed
11 necessary in connection with the issuance of the bonds without
12 obtaining the approval of such agreements by any agency or
13 board of the state, notwithstanding the provisions of any other
14 law of the state.

15 E. Proceeds of the bonds and amounts on deposit in
16 the state road fund and the highway infrastructure fund may be
17 used to pay expenses incurred in the preparation,
18 administration, issuance and sale of the bonds and, together
19 with the earnings on the proceeds of the bonds, may be used to
20 pay rebate, penalty, interest and other obligations relating to
21 the bonds and the proceeds of the bonds under the Internal
22 Revenue Code of 1986, as amended.

23 F. This section is full authority for the issuance
24 and sale of the bonds, and the bonds shall not be invalid for
25 any irregularity or defect in the proceedings for their

underscored material = new
[bracketed material] = delete

1 issuance and sale and shall be incontestable in the hands of
2 bona fide purchasers or holders of the bond for value.

3 G. The bonds shall be legal investments for a person
4 or board charged with the investment of public funds and may be
5 accepted as security for a deposit of public money and, with
6 the interest thereon, are exempt from taxation by the state and
7 a political subdivision or agency of the state.

8 H. Any law authorizing the imposition or distribution
9 of taxes or fees paid into the state road fund or the highway
10 infrastructure fund or that affects those taxes and fees shall
11 not be amended or repealed or otherwise directly or indirectly
12 modified so as to impair outstanding bonds secured by a pledge
13 of revenues from those taxes and fees paid into the state road
14 fund or the highway infrastructure fund, unless the bonds have
15 been discharged in full or provisions have been made for a full
16 discharge. In addition, while any bonds issued by the New
17 Mexico finance authority pursuant to the provisions of this
18 section remain outstanding, the powers or duties of the state
19 transportation commission or the authority shall not be
20 diminished or impaired in any manner that will affect adversely
21 the interests and rights of the holder of such bonds.

22 I. In contracting for state transportation projects
23 to be paid in whole or in part with proceeds of bonds
24 authorized by this section, the department shall require that
25 any sand, gravel, caliche or similar material needed for the

. 148645. 1

underscored material = new
[bracketed material] = delete

1 project shall, if practicable, be mined from state lands. Each
2 contract shall provide that the contractor notify the
3 commissioner of public lands of the need for the material and
4 that, through lease or purchase, the material shall be mined
5 from state lands if:

6 (1) the material needed is available from state
7 lands in the vicinity of the project;

8 (2) the commissioner determines that the lease
9 or purchase is in the best interest of the state land trust
10 beneficiaries; and

11 (3) the cost to the contractor for the material,
12 including the costs of transportation, is competitive with
13 other available material from nonstate lands.

14 J. Bonds issued pursuant to this section shall be
15 paid solely from federal funds not otherwise obligated and
16 taxes and fees deposited into the state road fund and the
17 highway infrastructure fund and shall not constitute a general
18 obligation of the state.

19 K. For purposes of this section, "state
20 transportation project bonds" includes only those bonds issued
21 pursuant to this section and excludes transportation bonds as
22 defined in Section 67-3-72 NMSA 1978."

23 Section 71. Section 67-3-65.1 NMSA 1978 (being Laws 1983,
24 Chapter 211, Section 40) is amended to read:

25 "67-3-65.1. STATE ROAD FUND DISTRIBUTION. --The amounts
. 148645. 1

underscored material = new
[bracketed material] = delete

1 distributed to the state road fund pursuant to [~~Section~~]
2 Sections 7-1-6.10, 66-6-23 and 66-6-23.1 NMSA 1978 shall be
3 used for maintenance, construction and improvement of [~~the~~
4 ~~public highways~~] state transportation projects and to meet
5 federal allotments under the federal-aid road laws, but
6 sufficient money from the state road fund shall be set aside
7 each year by the state treasurer to pay the principal and
8 interest [~~coupons of highway debentures~~] due each year on state
9 transportation revenue bonds issued to anticipate the
10 collection of this revenue [~~as the principal and interest~~
11 ~~coupons mature~~]. "

12 Section 72. [NEW MATERIAL] APPROPRIATION OF BOND
13 PROCEEDS-- AUTHORIZED TRANSPORTATION PROJECTS. --

14 A. The net proceeds of state transportation project
15 bonds issued by the New Mexico finance authority pursuant to
16 Section 67-3-59.3 NMSA 1978 and Subsection B of this section
17 are appropriated to the department of transportation for the
18 following authorized transportation projects:

19 (1) for the reconstruction of the interchange at
20 the intersection of Coors boulevard and interstate 40 in
21 Albuquerque;

22 (2) for the reconstruction and improvement of
23 interstate 25 to accommodate public transportation elements,
24 including commuter rail from Albuquerque to Santa Fe;

25 (3) for the reconstruction and improvement of

underscored material = new
[bracketed material] = delete

1 United States highway 54 from Tularosa to Santa Rosa;

2 (4) for the reconstruction and improvement of
3 United States highway 64/87 from Raton to Clayton;

4 (5) for the reconstruction and improvement of
5 United States highway 491 from Tohatchi to Shiprock;

6 (6) for the reconstruction and improvement of
7 United States highway 491 from Shiprock to the Colorado state
8 line;

9 (7) for the reconstruction and improvement of
10 United States highway 62/180 from the Texas state line to
11 Carlsbad;

12 (8) for the reconstruction and improvement of
13 various sections of interstate 40 from Newkirk to Tucumcari;

14 (9) for the reconstruction and improvement of
15 various sections of interstate 40 between Gallup and the
16 Arizona state line;

17 (10) for the reconstruction and improvement of
18 various sections of interstate 40 between Thoreau and Grants;

19 (11) for the reconstruction and improvement of
20 interstate 40 in Albuquerque from Carlisle boulevard to Juan
21 Tabo boulevard;

22 (12) for the reconstruction and improvement of
23 interstate 40 east of Albuquerque from Carnuel to Sedillo;

24 (13) for the reconstruction and improvement of
25 interstate 40 in Albuquerque from Central avenue to Coors

. 148645. 1

underscored material = new
[bracketed material] = delete

1 boulevard;

2 (14) for the reconstruction and improvement of
3 interstate 40 at various locations from the Pueblo of Laguna to
4 Mesita;

5 (15) for the reconstruction and improvement of
6 interstate 40 from Canoncito to Rio Puerco;

7 (16) for the reconstruction and improvement of
8 interstate 40 in Moriarty from the west interchange to the east
9 interchange;

10 (17) for the reconstruction and improvement of
11 interstate 10 from Lordsburg to the junction of state highway
12 146;

13 (18) for the reconstruction and improvement to
14 accommodate public transportation elements of interstate 10
15 from the Texas state line to Las Cruces;

16 (19) for the reconstruction and improvement of
17 United States highway 84/285 from Pojoaque to Espanola;

18 (20) for the reconstruction and improvement of
19 state highway 45 in Albuquerque from the junction above
20 interstate 25 north to Central avenue;

21 (21) for the reconstruction and improvement of
22 state highway 128 from state highway 31 to the Texas state
23 line;

24 (22) for the reconstruction and improvement of
25 state highway 11 from Columbus to Deming;

. 148645. 1

underscored material = new
[bracketed material] = delete

1 (23) for the reconstruction and improvement of
2 United States highway 60 from Abo to Willard;

3 (24) for the reconstruction and improvement of
4 United States highway 56 from Springer east to Abbott;

5 (25) for the reconstruction and improvement of
6 United States highway 380 west of Tatum east to the Texas state
7 line;

8 (26) for the reconstruction and improvement of
9 various sections of United States highway 380 from Capitan to
10 Hondo;

11 (27) for the reconstruction and improvement of
12 various sections of United States highway 64 from the San Juan-
13 Rio Arriba county line to the junction of United States highway
14 84;

15 (28) for the reconstruction and improvement of
16 state highway 8 from Eunice to United States highway 62;

17 (29) for the reconstruction and improvement of
18 United States highway 285 from Encino to Clines Corners;

19 (30) for the reconstruction and improvement of
20 various sections of United States highway 84 from interstate 25
21 south to Dilia;

22 (31) for the reconstruction and improvement of
23 various sections of state highway 26 between Deming and Hatch;

24 (32) for the reconstruction and improvement of
25 state highway 83 from Lovington to the junction of state

. 148645. 1

underscored material = new
[bracketed material] = delete

1 highway 132;

2 (33) for the reconstruction and improvement of
3 state highway 209 from NM 268 to Grady;

4 (34) for the reconstruction and improvement of
5 United States highway 84 from Fort Sumner to Santa Rosa;

6 (35) for the reconstruction and improvement of
7 various sections of United States highway 62/180 from the Texas
8 state line to the Lea-Eddy county line;

9 (36) for the reconstruction and improvement of
10 United States highway 285 from Clines Corners to Lamy;

11 (37) for the reconstruction and improvement of
12 United States highway 180 from Deming to Bayard; and

13 (38) for improvements to the physical facilities
14 of the department of transportation.

15 B. The New Mexico finance authority may issue and
16 sell state transportation project bonds for the state
17 transportation projects authorized in this section when
18 directed by the state transportation commission and when the
19 commission certifies a need for issuance of the bonds for the
20 projects. Within thirty days of commission authorization for a
21 bond sale, the New Mexico finance authority oversight committee
22 and the legislative finance committee shall hold a joint
23 meeting at which the New Mexico finance authority and the
24 department of transportation shall present details of the
25 proposed bond sale to the committees.

. 148645. 1

underscored material = new
[bracketed material] = delete

1 C. Any unexpended or unencumbered balance after the
2 completion of the projects authorized in this section shall
3 revert to the state road fund.

4 D. For purposes of this section, "construction",
5 "reconstruction", "rehabilitation" and "improvement" include
6 planning, designing, engineering, constructing and acquiring
7 rights of way.

8 Section 73. [NEW MATERIAL] APPROPRIATION OF BOND
9 PROCEEDS-- AUTHORIZED TRANSPORTATION PROJECTS-- MATCHING FUNDS. --

10 A. The net proceeds of state transportation project
11 bonds issued by the New Mexico finance authority pursuant to
12 Section 67-3-59.3 NMSA 1978 and Subsection B of this section
13 are appropriated to the department of transportation for the
14 following transportation projects subject to the provisions of
15 Subsection B of this section:

16 (1) for the Rio Bravo boulevard extension and
17 interchange construction to access Mesa del Sol in Albuquerque
18 and Bernalillo county; and

19 (2) for the reconstruction of an interchange at
20 interstate 40 and West Central avenue in Albuquerque and
21 Bernalillo county.

22 B. The New Mexico finance authority may issue and
23 sell state transportation project bonds for six million dollars
24 (\$6,000,000) per project for the state transportation projects
25 authorized in this section if:

. 148645. 1

underscored material = new
[bracketed material] = delete

1 (1) directed by the state transportation
2 commi ssi on;

3 (2) the state transportation commi ssi on
4 certifies a need for issuance of the bonds for the projects;
5 and

6 (3) prior to issuing bonds, the political
7 subdivision benefiting from the project deposits local matching
8 funds with the state transportation commi ssi on for the
9 authorized project in an amount that, when added to the net
10 proceeds of the bonds, would be adequate to complete the
11 project.

12 C. The amount of the local match for projects
13 authorized by this section shall be determined by a sliding
14 scale based on the political subdivision's financial capacity
15 to pay a portion of the project from local resources pursuant
16 to rules promulgated by the state transportation commi ssi on.

17 Section 74. TEMPORARY PROVISION--OUTSTANDING STATE
18 HIGHWAY REVENUE BONDS.--

19 A. Nothing in this act shall be deemed to impair
20 state highway revenue bonds previously issued by the state
21 transportation commi ssi on and outstanding on the effective date
22 of this act.

23 B. If required by the terms, covenants and provisions
24 of state highway revenue bonds previously issued by the state
25 transportation commi ssi on and outstanding on the effective date

. 148645. 1

underscored material = new
[bracketed material] = delete

1 of this act, additional bonds issued by the state
2 transportation commission or the New Mexico finance authority
3 when directed by the state transportation commission pursuant
4 to this act shall contain any required terms, covenants and
5 provisions required to avoid impairment of the previously
6 issued bonds.

7 Section 75. REPEAL. -- Sections 7-9-13.1 and 7-15A-10 NMSA
8 1978 (being Laws 1989, Chapter 262, Section 4 and Laws 1988,
9 Chapter 24, Section 9, as amended) are repealed.

10 Section 76. APPLICABILITY. -- The provisions of Sections 7
11 through 13 of this act apply to taxable years beginning on or
12 after January 1, 2004.

13 Section 77. EFFECTIVE DATE. --

14 A. The effective date of the provisions of Sections
15 25, 27 and 57 through 66 of this act is March 1, 2004.

16 B. The effective date of the provisions of Sections
17 1 through 6, 14 through 24, 26 through 56, 67, 68 and 75 of
18 this act is July 1, 2004.

19 Section 78. EMERGENCY. -- It is necessary for the public
20 peace, health and safety that this act take effect immediately.